Why Your Taxes Stay Up
See "The Nation's Business"

Technocracy Debunked

New Weekly Grain Page

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGE 16

Vol. XXVI Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, DECEMBER 24, 1932 10c a Copy; $5.00 a Year No. 52

The Nation's Business

Taxes Stay Up Because Theorists Want Wealth Distributed

Some Plain Facts About the Alleged Breakdown of Capitalism

Socialism Itself Has Broken Down

ANY ONE can gain a hearing at the moment by asserting with sufficient heat that the world's economic system has broken down. The words chaos, collapse and crisis are freely used to describe the present condition of economic affairs.

And as we are supposed to have been operating under a system of economy known as Capitalism, it naturally follows that most of the analysts of the present depression lay the blame for the current state of economic affairs at the door of Capitalism. On many occasions, The Financial Post has taken issue with this view and has expressed the opinion that it is something quite different that has broken down; not Capitalism or Individualism but a post-war hodge-podge of these systems and State Socialism, mixed with not a little outright Communism.

* * *

THE present condition of affairs is hardly the product of Individualism. There has been no true opportunity for individual intelligence to lead since the war. The individual was submerged in state control during the war and he has not since been given an opportunity to rise to the surface. In the post-war period the world has not been managed by its best brains but rather by the second rate intelligence of demagogues. It is hardly any wonder then that national and international affairs have been very badly managed. They have been so badly managed that our whole economic, political and social system has got out of gear. It is at this point that the free thinking theorists of today begin their process of leading the world astray. They say that since the Capitalist system has broken down it is high time we tried something else and attempted to bring about a new world order through the application of the principles of State Socialism.

The diagnosis and the remedy are both the result of very obscure analysis.

We have got ourselves into the mess we are in today because we have refused full opportunity to brains and initiative. It is the height of foolishness to assume that by completing extinguishment of both intelligence and initiative, we can find the way out.

* * *

ONE Canadian public man who sees this very clearly is William H. Moore, M.P. In the numerous addresses that he is now delivering upon the present contest between Individualist and Socialist ideas, Mr. Moore is giving to Canadian thought a direction and leadership that is a sharp contrast to the social and economic panic of many of our public men. His address to the Canadian Club of Toronto this week was an utterance of rare perception and precision.

Mr. Moore maintains an unruffled temper as he analyzes the world's position today. Cool detachment from the panic psychology of a depression period does not debar one from feeling the deepest sympathy for the more unfortunate victims of the present world chaos. Indeed it may strengthen one's resolve to see more clearly and to propose more effectively. This is the case with Mr. Moore, whose life-long resentment against greed, inefficiency and autocracy in high places, whether in business or in government, gives him the greater stimulus to combat the false prophets of demagogic economics.

Mr. Moore has the perspicuity to see that what has broken down in the world is not the system of competitive economy that is the product of all the ages of intellectual advancement but the half competitive, half rigid system that has been asked, in the post-war period, to carry a load that no such patchwork system is capable of bearing.

* * *

THERE are many straws in the load that have caused the back of the Capitalist camel to bend in the middle and to give signs of breaking. Some of them were put there by sincere politicians. Most of them are the product of radical theorizing. There has been a vast extension of State Socialism in every country in the world since the war and this State Socialism has introduced into the economic structure a series of rigid factors unresponsive to the more quickly changing factors, of which the price level is the most notable. The result is tragic failure.

One would think that as State

(Continued on page 2, col. 3)

EAST. DAIRIES COVERS NEEDS OF PREFERRED

Sales Generally Lower, Liquid Position Maintained

EXPORTS IMPROVE

Enquiries from Great Britain Indicate Trend Toward Trade Within Empire

From Our Own Correspondent

MONTREAL.—Sales and earnings of Eastern Dairies, Ltd., in the first nine months of the current fiscal year have been on a relatively satisfactory basis. That they have declined is evidenced by the recent suspension of common dividends but it is understood that preferred payments have been covered and prospects for the balance of the year which closes March 31, 1933, are not discouraging.

Lessened demand for dairy products as a reflection of reduced family budgets and lower sales values resulting from price-wars have been contributory causes to the drop in revenue. The first is a factor over which the company has no control; in the second, steps have been taken to bring some stability into the market. In Winnipeg, where milk prices had been brought down to unprecedented levels, supervision of the Board of Public Utilities has been obtained and dairy companies are now selling milk at a price, which though low, is at least stabilized.

Ottawa, Montreal Unsettled

In Ottawa and Montreal marketing conditions are still subject to minor disruption by price-cutting among smaller producers. Among larger companies, however, there has been a slight increase in prices within the past few weeks.

In Hamilton encouraging gains have been reported. Eastern Dairies opened a new plant in that city a year ago though the district was previously served by its Toronto unit. Sales of the Hamilton dairy, however, have shown an upward trend, being one of the few exceptions in the company's experience this year.

Better Export Demand

Export sales, which are largely confined to powdered milk, have shown some improvement over last year and prospects indicate a growing demand from the United Kingdom. Those in touch with the situation feel that the desire among British importers to divert their purchases to Empire sources is evidenced in several enquiries which have been received from Great Britain since the Imperial Conference. Domestic sales of powdered milk, condensed milk and other by-products are understood to have held up fairly well; in 1931 Canadian sales of these products showed considerable gains over the previous year.

Liquid Position Maintained

At the present time liquid position of Eastern Dairies is reported to be on a par with that reported at the end of March, 1932, when working capital totalled $641,745 with current assets of $1,303,970 against current liabilities of $662,225. In current assets securities at cost were carried at $577,355 but market value was approximately $170,193 less than book value.

Desire to conserve this cash position was a factor in moving directors to defer common dividends in September last. Since November, 1930, payments on the 93,951 shares of no par common had been made at a quarterly rate of 25 cents a share; earnings in the last fiscal year were equal to $1.10 a share on the common. Senior to these shares there is issued $2,500,000 of 7 per cent preferred and $3,000,000 of 6 per cent collateral trust bonds.

Though milk and butter would seem to be indispensable to the average household, low wages and unemployment are bound to have repercussions in the dairy industry. Family budgets have been cut to a minimum and expenditures on dairy products, despite the fact that they do not bulk large in total purchases, are curtailed in times of poor business.

Eastern Dairies has reduced expenses, though in a business of this nature plant efficiency must be maintained at a peak level at all times. Competition is keen and leading companies in the field sell their output on a quality basis, necessitating certain expenses which cannot be eliminated.

Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

Technocracy

The newest front-page sensation is Technocracy—which tells us that the machine has man licked and that the worker under the present social order will never again earn a full day's pay from a full day's work. But Technocracy is a publicity stunt. This week The Financial Post presents some real truths about the machine and employment. Page 1.

Socialist Chaos

It is popular to say that Capitalism has broken down. But the world has not had any true Capitalism since the war. It is the Socialist hodge-podge that has failed us. "Read The Nation's Business," column page 1. It shows why your taxes don't come down.

Truck Transport

Seven provinces ready to co-operate in unified legislation to bring truck and coach operators under stricter control. Page 9. The recommendations of the Duff Commission, which are the basis for the proposed legislation, are discussed on page 4.

Common Stock

A review of a company with a record of earnings stability. Page 9.

Economic Wisdom

The Financial Post begins a series of records and sayings down the ages in times of adversity and depression. Page 9.

Newsprint Output

Canada's production this year is down to 1,950,000 tons, lowest since 1926. Preliminary survey of 1932 by The Financial Post. Page 3.

1932 Business

According to The Financial Post monthly index of Canadian Business, trade in Canada has fallen 13 points this year; 10 points in 1931; 14 points in 1930. Page 7.

Copper Control

Where do the Canadian producers stand now that the proposed world copper cartel has broken down? Page 16.

HOWARD SMITH BOND INTEREST COVERED IN '32

Earnings This Year Hold Around Last Year's Mark

From Our Own Correspondent

MONTREAL — Bond interest charges will be covered by Howard Smith Paper Mills Ltd. during 1932, but the balance after senior charges will not be sufficient to make for reconsideration of dividends on the preferred stock.

It is still too early to determine accurately what the income account is likely to show for the past twelve months. Expectations are, however, that income will not be materially lower from that reported in 1931, when the consolidated income account showed gross profits of $1,101,716, made up of $1,048,760 profit from operations, $2,992 income from investments and $49,962 special income.

Covered Senior Charges

This sum was sufficient to take care of depreciation, depletion, interest on bonds including premium of U.S. funds and provision for subsidiary's income tax and leave a small balance of $62,362.

Accounts for the current year are likely to show much the same results as in 1931, though a smaller sum for depreciation and depletion is possible.

Mill Operations Satisfactory

Up to date mill operations have been conducted on a basis of about two-thirds of capacity. The demand for most of the company's products has kept up fairly well

(Continued on page 2, col. 1)

Fanny Farmer To Pay Interim On Com. Stock

Declaration of an interim dividend of 25 cents per share on the common stock of Fanny Farmer Candy Shops Ltd. has been announced. Payment will be made January 4 to shareholders of record December 27. This will bring dividends paid in the current year to 85 cents, the last two quarterly payments not having been paid.

Lower volume of business in the first eight months of the current year caused the company a loss on operations but price reductions effected in stores operated in the eastern United States in September changed the earnings trend. Results of operations in the current year will largely depend upon Christmas sales and no official pronouncement as to possible earnings for the year is available at present.

Tor. Elevators Common Stock To Get Dividend

Payment of $1 per share on the 25,000 shares of common stock is in prospect although official announcement is being postponed until early in the year. It is understood that the payment will be made on January 6 to shareholders of record January 2. This payment constitutes the first dividend to be paid on the common stock of the company but the company has not committed itself to a regular dividend basis.

The company has increased surplus account from $121,497 to $376,972 in the last three years. In the year ended September 30, earnings amounted to $5.03 per share of common and in the previous year to $4.02.

Higher Priced Radios Marconi's Best Sellers

From Our Own Correspondent

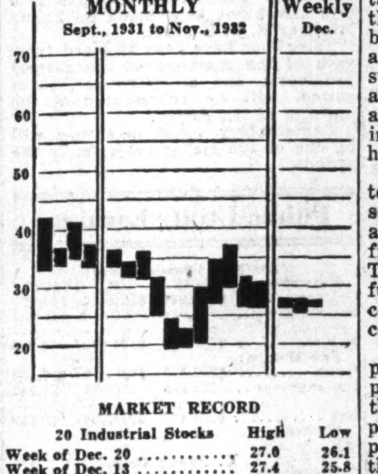
MONTREAL — An interesting paradox in these times of restricted purchasing power is the fact that sales of Canadian Marconi's higher-priced radio models have to date moved faster than those commanding a more moderate value. Merchandising of sets priced at over $200 has met with encouraging success this season, while models priced below the $100 mark have moved out more slowly. Total sales are understood to be on a lower basis than last year; popularity of the short wave feature in more expensive sets is the chief factor in swelling sales in the high-priced class.

Taking the industry as a whole, stocks of last season's models have been pretty well disposed of by now. A good deal of distress selling was apparent in the fall as dealers sought to clear their loaded shelves to make way for the 1932-33 sets. Conditions are reported as more stabilized now. Canadian Marconi was fortunate in entering the current season with practically no inventories of old stock on hand.

In 1931 sales were about on a par with the previous year as far as gross value was concerned. Volume of business was greater but profits on this branch of the company's activity were small and eventually were converted into a loss by the general price-cutting which took place in the receiving set trade in connection with disposal of the balance of 1930 inventory stocks.

The Financial Post
wishes all its readers
A Happy Christmas Holiday
and Bright Prospects
for 1933

Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Dec. 20	27.0	26.1
Week of Dec. 13	27.4	25.8
Month of Dec., 1931	36.9	33.1
8 Bank Stocks		
Week of Dec. 20	163	161
Week of Dec. 13	165	162
Month of Dec., 1931	216	216
10 Public Utilities		
Week of Dec. 20	46	44
Week of Dec. 13	45	44
Month of Dec., 1931	59	55

DAIRY COMBINE CHARGES MADE PROBE WELCOME

Distributors State Profit is Less Than One Cent Per Quart

QUEBEC MOVES

Investigated Montreal Dairy Situation But Found No Situation Requiring Action

Dairy companies of Toronto and elsewhere in Canada state that they would welcome an official and expert investigation into the milk business if the public really wants one.

Present agitation in Toronto is a double-barreled one and alleges that there is a combination which rooks the farmer at one end and takes too much from the consumer at the other.

Articles have been published purporting to show that milk is sold in Toronto for 10 cents a quart whereas the farmer is paid 3.625 cents a quart, and this gross difference of 6.375 cents a quart is called mostly profit. Against this The Financial Post has been informed by various distributors at different times during the last decade that the profit which is made on milk is generally less than one cent a quart and has seldom in history been more than that.

Protected Against Disease

The Financial Post has tried to get a breakdown of costs on milk after it enters Toronto. It differs from plant to plant according to each individual plant's equipment, routes covered and proportions of wholesale and retail business, but it is agreed that the total cost of pasteurizing, bottling, delivering and collecting cannot be brought under 5 cents without lowering standards.

Users are asked to cast their minds back over 20 years when typhoid was rife from year to year in Toronto. It is now eliminated partly because of improvements in treatment of water supplies but also by rigid regulations for processing and sale of milk. Therefore it is argued by the dairies the 5 cents a quart extra charged is a good protection of the milk consuming population against typhoid, bovine tuberculosis and to a certain extent scarlet fever and other infections. The very qualities which make milk a perfect food make contamination easy and therefore make extreme care of great importance. The five cents a quart does not include the necessity of making allowances for depreciation, for fixed charges and for overhead generally. It is estimated that cost of pasteurizing cannot be brought safely under 1¾ cents a quart.

Quebec Had Probe

The Provincial Government of Quebec recently conducted an investigation into milk prices in Montreal. Accountants were placed in various offices of companies including some that do business in Toronto and Western Canada as well as in Montreal. That was six months ago and no statement has been made. It is understood that books showed that no undue profit was taken.

The annual threat which comes up regularly every year in Toronto to ask for an investigation under the Combines Investigation Act has this year been translated into a formal demand for an investigation by the Combines Registrar. It has been common knowledge and has been reported that the dairy producers and distributors have met from year to year to fix a price which will be paid the former. This is more a question of co-operative bargaining than of price-fixing, dairies say. If distributors were forced to sell milk for less they would have to go beyond their old clients for cheaper milk. In Winnipeg the Utilities Commission has set a price for selling milk in the city and to prevent distributors in their dairy war doing injustice to producers have forbidden them going below what is considered a fair price.

Toronto and Montreal dairy companies pay more to their old producers than they would pay for milk elsewhere, but it is recognized that the old dairy farms have good herds well cared for, that the producers are well aware of city sanitary requirements and see to it that their stables and dairy utensils will bear all inspection. Distributors are anxious to have a dependable supply in years of active business as well as in time of depression and to deal with people who will be in the business no matter what happens.

The only objection of distributors to a combines investigation, say some of the distributors, is the added work in their own head offices during such an investigation. They state such a probe would be futile in that business could not be conducted cheaper under present conditions.

Recent articles in the daily press attacking the dairy companies indicate a belief on the part of writers that companies which have been making profits are thereby showing that they pay too little to farmers or charge too much to customers. Financial men, however, point to the fact that dairy companies have been having a strenuous time of it, that earnings have been less, that some of them have dropped dividends on preferred and common stocks and one of them has just postponed debenture interest.

Machine Jeremiahs See Nearing Doom Of Capital System

If Price Structure Abandoned They Claim Canada and United States Are in Preferred Position For New Technological Era of Short Time Days and Weeks

MACHINES OUSTING WORKERS BY MILLIONS

Editor Iron Age Attacks Pseudo Scientific Jargon of Technocracy — Points Out How Time-saving Inventions Have in Past Created New Industries and New Employment — Believes Unemployment and Dropping Wages But Temporary Phase

By WELLINGTON JEFFERS

Technocracy is the newest bogey conjured up to frighten an already nervous business world.

The technocrats are a group of United States engineers, who have suddenly burst into the flaming headlines of the daily press with old ideas, already dog-eared in the economic textbooks, but refurbished to present a glistening appeal to the economically emotional American business man. They say that engineering genius has so robotized production that muscular energy is already a back number and that the workingman will never again have a chance, under the present social order, of earning a full day's pay for a full day's work.

Technocracy has shown devilish ingenuity in its propaganda. The technocrats have swept level-headed business men off their feet. Stupefied listeners don't know if technocracy presents a new and unassailable truth, if it is just another fashionable newspaper topic, or if it is downright Communism, concealed in the cleverest propaganda stunt of the present generation.

Six Considerations Not To Be Overlooked

The technocrats hold the platform. They are speaking their piece. But there are some simple truths that they have left out of their formula. It is fair to indicate what some of these truths are:

1. Technocracy, the small and radical group of engineers sponsoring the new method of social measurement, is not authoritative, has not submitted its "new" mathematics to the checking of outside experts, is fathering statistics demonstrably exaggerated and has as its chief protagonist, Howard Scott, once an I. W. W. man believing in the overthrow of present-day capitalism long before he discovered the mathematics that proved to him it would occur early in 1934.

2. Technological unemployment, that is, unemployment caused by continuous process of substituting machines for human labor until there are factories with scarcely an employee, has been going on now for 150 years since the Industrial Revolution began. It has had the result of opening continuously new industries, and further avenues of employment, of increasing wage and salary levels, of reducing hours and of widening the scope of most human beings.

3. Instead of it being necessary to do away with the price structure to prevent the United States—and by inference, Canada—sliding into bankruptcy and general chaos, the fluctuations of monetary units have been the most efficient gauge known to determine when production is getting too rapid, consumption too slow, and when the need of products is passing or increasing. However valuable for measuring an energy unit may be, it offers no guide in distribution, no spur to increasing inventiveness and progress and no check, when needed, to increase expansion. To a degree the price system does all of this and will continue to do it as long as State Socialism gives the price system a chance to work.

4. Instead of present rate of technological progress being likely to cause unemployment of 20,000,000 people in the United States within 18 months, it is rendering existing machinery obsolescent at a more rapid rate than ever before. It is estimated by some authorities that there is a potential market to replace $5,000,000,000 of obsolescent machinery in the United States alone. Work is created at one end while being saved at the other.

5. Consider new employment given this century by automobile, oil industry, moving picture industry, aeroplane industry, chemical industries, tire and rubber industries, nickel and other base metal industries made possible in Canada by metallurgical research, as evidence of what the engineer has done and will continue to do in future. Technological progress creates employment at one end while limiting it at the other.

6. Down the ages, machinery has freed man from toil and this freedom from toil has been translated into shorter working hours and greater leisure. This process will inevitably continue until man reaches the true freedom that is the end-product of science.

Every year, every month, every week, nay almost every hour of every day a new machine, a new part of one, a new process, or a new synthesis of old machines or processes, creates more efficiency in some North American industry and throws more men out of work. Some see chaos coming because of this fact and some a new heaven on the old earth.

For three years one has heard the changes ringing on the theme that the present depression in the midst of plenty will continue until surpluses of wheat, copper, coffee, cotton, rubber, crude oil, productive capacity in almost every industry have disappeared. But the real prize bogey—the surplus which will prevent the unemployed ever being employed and which will add millions more of unemployed month by month during the next year—is the surplus of brains, we now learn.

Engineers have too much brains, technological progress is too rapid, the world cannot keep pace. With every advance in time and labor saving more people are thrown out of work without income or means, and this Frankenstein—the machine—therefore makes for time and money and efficiency at one end while destroying the market for the product at the other end.

World Having Toboggan Ride

Not only that but, say the Apostles of the New Danger, the capitalistic world is on the skids; it is sliding like greased lightning toward chaos. They can even tell us the date of collapse. Like those who told the crazy Columbus, who thought the world was round, that his westward-bound ship would go to the edge of the world and fall over irretrievably into empty space, these new thinkers foresee entirely automatic factories making perfect products with less and less need of human intervention, energy or control, and throwing so many useless human beings out of work that the United States will slide into bankruptcy and economic chaos early in 1934.

Newspapers and therefore the public of Canada and the United States have suddenly awakened to the direness of the impending peril. A milder sensation might have been sprung at any time within the last five or six years because in that period responsible engineers in both countries have repeatedly drawn attention to the rapidity with which human beings are being displaced by machines.

Right in Toronto on October 2, 1931, Dr. Roy V. Wright, president of the American Society of Mechanical Engineers—as reported in Canadian Machinery and Manufacturing News—repeated to that body of technical men a statement that technological developments since 1929 made it impossible that the same number of men should ever be employed even if the demand of 1929 were to come again. He told of how on one great mechanized western wheat farm results had been achieved equal to the production of one bushel of wheat with the expenditure of three man-minutes. He told of how corn-raising is being mechanized, of the likelihood that a cotton picking machine would displace the negro cotton pickers of the south and of how cows are being milked on a mass production basis by machinery. He pleaded with the engineers to turn their thoughts toward the human element and asked them "to think in larger terms of human welfare." He pointed out that the full definition of engineering is as follows, as adopted by the American Engineering Council—"Engineering is the science of controlling the forces and utilizing the materials of Nature for the benefit of man, and the art of organizing and directing human activities in connection therewith." It was this latter field that he recommended to engi-

(Continued on page 10)

Dairy Corp. Postpones Debenture Interest

Holders of the 6 per cent debentures of Dairy Corp. of Canada are being advised currently that a postponement of the interest payment due Jan. 1, 1933, will be necessary "due to the difficult period through which the company has been passing and to the special circumstances existing today"

Debenture-holders are invited to an informal meeting at the head office in Toronto of the company on Wednesday, December 28, at 4 p.m. At that meeting a clear statement of the position of the company is promised, and the president, J. A. Caulder, says in the letter to debenture holders. "We feel that the statement which will be made at this meeting will be reassuring as the management has made every effort to meet the many adverse conditions which they had to contend with in 1932."

A formal meeting of debenture holders will also be called toward the end of January, and at that time it is expected that the financial statement for 1932 will be ready for distribution.

WORLD PARLEY TO BOOST GRAIN IS FROWNED ON

Informed Westerner Think It Will Hurt and Not Help

POLITICAL DODGE

Canada, 'Tis Said, Has Ha Too Many Unsound Schemes of This Kind

From Our Own Correspondent

REGINA.—The project for cal
ing an international wheat co
ference, which is being advocate
from various quarters in Canad
is considered by some of the sound
est authorities in the West as wors
than useless. They say it involve
very positive dangers to the i
terests of this country and to th
wheat growers of Western Canad
Expert opinion is that it is no
in the specific situation with re
spect to wheat that the trouble
of the wheat market are principall
rooted. It is rather in the gener
world economic situation. To th
belief that some improvement i
the general situation can be brough
about by international discussio
and international agreement a larg
part of the world is at present com
mitted. With difficulty and wit
pain various countries are no
struggling toward some sort of ac
cord with each other along thre
different lines, that of internationa
disarmament, that of agreemen
on the war debts, and that of com
mon action as the result of the pro
posed international economic con
ference. There may be failure i
all, but success in any one will mea
a great deal to Canada. It is fel
that to attempt an agreement a
this stage among wheat exportin
nations would be a display both o
international ignorance and of in
ternational indifference.

U. S. Out of Market

It would also be, according t
informed Westerners, a display o
ignorance as to what is actuall
going on in our special sphere o
wheat. The project appears to b
that the nations to confer abou
wheat would be Canada, the Unite
States, Australia and the Argen
tine, and the objective to be th
sale of more wheat at a highe
price by Canada. But any suc
conference would soon find itsel
centred around projects for th
United States to sell more whea
and to go on producing for the i
ternational market. For som
months now the United States h
been completely out of the marke
and internal conditions are makin
it possible for prices in the Unite
States to hold at almost 25 per cen
above those prevailing for Canadia
wheat. But even at that they ar
low enough to discourage produc
tion, and it is quite possible th
the United States is approachin
the condition of producing whe
for its own requirements only, an
not for the international marke
Does Canada want to interrup
that process? Certainly any pla
to which the United States woul
subscribe in agreement with Ca
ada, the United States and Au
tralia guarantee her a continue
place in the international marke
and one which would enable her t
keep up the production of whea
on a large scale while still preserv
ing for her own farmers a pric
higher than the international leve
Whether such a plan would wor
is doubtful, it is declared that i
would be sheerest folly for Canad
to encourage developments tha
would ensure the annual export o
one hundred million bushels o
more of wheat from the Unite
States.

U S. Is Unpopular

Moreover, with the state of fee
ing that has developed in Europ
toward the United States on th
question of war debts, it is asked i
it would be sound business for Can
ada to associate herself with th
United States in any plan designe
to regulate the flow of wheat t
Europe? To some extent the re

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TORONTO CANADA

HOWARD SMITH BOND INTEREST COVERED IN '32

(Continued from page 1)

considering the smaller volume of business. The finer grades of paper, however, are not so much in demand, purchasers favoring the lower grades of bond paper.

In this connection it is pointed out that during the boom period the company experienced good sales of high grade rag papers which were used for stock and bond certificates, prospectuses of new issues, etc. With new financing on a very meager scale the demand for this type of paper has become negligible.

Another development of the depression is the growing sales of lower grades of bond paper for business correspondence. For purposes of record the fine papers are still in steady demand, but for inter-company or inter-department correspondence pulp papers are in more general use.

Operations of Subsidiaries

Operations of the various Howard Smith subsidiaries are reported to be fairly satisfactory. Most of them are engaged in the same line of operations as the parent company and marketing problems are common to all. Canadian Cellulose's year has not been especially good. The demand for its principal product—soda pulp— has been on a lower scale.

Cut Down Loans

It is understood that on December 31 next the consolidated balance sheet will show a decline in current liabilities. At the end of last year the company reported bank loans of $1,152,500. In addition there were deferred bank loans of $1,199,304. The latter loans were shown in the 1930 report as due on January 2, 1932 and in the 1931 report as due on January 2, 1933. There is no official word as to whether or not these deferred loans have been reduced or eliminated. It is possible, though, that the 1932 report will show the loans as having been again extended.

Current loans of $1,152,500 at the end of last year are stated to have been appreciably reduced. This betterment will also be reflected in a lowering of inventories which stood at $2,596,493 at the close of 1931.

At present Howard Smith has outstanding $7,000,000 of bonds and $4,500,000 of preferred stock. Commencing June 1 next the company will have to make provisions to provide for a sinking fund of 2 per cent annually to be used toward the redemption of the bonds.

Preferred Voting Rights

No dividends have been paid on the preferred stock since last March. Under the terms of issuance, this stock assumes voting rights after 6 quarterly dividends are in arrears and unpaid. In the event that company does not resume payments by next September, this stock will rank equal with the common in so far as voting rights are concerned.

Market interest in the securities of Howard Smith Paper Mills has been limited for some time. The bidding on the common has ranged around 2½, compared with a high of 4 for the year. The preferred stock continues around its low level of 16, or about 11 points under the high for the year established in January.

The value of the company's bonds has shown small change of late, there being a nominal bid of 53 to 56.

Newsprint Exports Easier for October

From Our Own Correspondent

MONTREAL.—For the first time in several months Canada's exports of newsprint to "overseas" countries, which category includes markets other than the United States, showed a falling off in October last, according to a record compiled by the Canadian Pulp and Paper Association from government reports.

During October, 1932, the Dominion exported 148,935 tons of newsprint, of which 127,498 tons went to the United States and 21,437 tons to overseas countries. This compares with 171,030 tons in October, 1931, of which 146,862 tons were despatched to the United States and 24,168 to overseas countries.

For the first ten months of 1932, Canada shipped 1,491,202 tons; 1,268,064 tons to the United States and the balance to overseas countries. For the same period last year 1,675,251 tons were exported, the United States receiving 1,460,856 tons and overseas countries 214,395 tons.

Analysis of the overseas shipments reveals larger shipments to the Argentina, Australia and "all other." Decreases were recorded by the United Kingdom, Cuba, Jamaica, "other Latin America," and New Zealand.

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TORONTO
MONTREAL

SERVICE EXPERIENCE ORGANIZATION

The Nation's Business

(Continued from Page One)

Socialism has amply served to make Individualist economy practically unworkable that the leaders of public opinion throughout the world would make haste to undo the mistakes that have been made and to allow the old system of competitive economy to function more freely again in the interest of all mankind. But unfortunately there are only a few men of the stamp of Mr. Moore who are ready to preach the doctrine of Individual effort. Most of the economists, writers, politicians, and other people who are pointing the way out can find no remedy except more State Socialism.

The economic theorists are right in stating that the world stands at the cross roads and must choose between a Capitalist State and a Socialist State. Certainly we have had neither one nor the other since the war and the mixture of the two has been poisonous. In making their choice as between the two systems of economy, people should not overlook the fact that the essential promise of Individualism is continuous reform effected through the machinery of democratic government while the essential fact in Socialism is autocratic control of all activities by the dictatorship of such men as have in the past made up the mass of the world's politicians and will do so in the future. The choice then is not really between two systems of economics, either one of which has great theoretical merits, but between something more fundamental, personal freedom and feudal autocracy.

* * *

SEEING this clearly, Mr. Moore finds little merit in the new Socialist programme that is now being urged vigorously upon Canadians by a group of political opportunists who think that this is the psychological moment to capitalize upon public discontent. Of course this group offers a programme for a correction of the world's troubles. A programme is a very simple matter to draw up. The most hide-bound capitalist in the world or the most zealous high school student could draw up a programme for a perfect world if he did not have to give consideration to human factors.

The programme offered by the Co-operative Commonwealth Federation and other similar groups throughout the world provides merely for giving humanity larger doses of the same virus that has poisoned our economical, political and social systems. Mr. Moore does well to analyze the programme so clearly and forcefully, to uncover it in all its malignancy.

* * *

THE question is not whether there is need for reform in many phases of life. That need is admitted and that need will exist down the centuries to come. The important question is as to how these reforms should be achieved. The democratic method of self-criticism and self-correction has brought the world forward through the past centuries to standards of living and happiness that were undreamed of by our forefathers. Yet in the space of a few short years, just by scrapping the process of democratic reform in favor of the mad notion that we can rebuild civilization over night we have undone a large part of the work of the generations and brought ourselves squarely up against a crisis.

The evidence lies about us on every hand that the second rate brains have been ruling our affairs. One needs no further evidence than the colossal burden of taxation and of governmental debt which are simply the product of the very form of Socialism that we are now asked to accept upon a much larger scale.

The bloodless revolution that is being preached in every country of the world is not to be a revolution at all but simply a further extension of principles and practices that have widely spread across this country—as well as across the world—since the end of the war. It aims at a redistribution of wealth and the system that has been devised for achieving this end is taxation.

* * *

IT MAY occasionally occur to some people that, with all the railing against the high cost of government and the rising burden of taxation that is heard today, very little has been accomplished in the way of actually getting governmental costs and debts down. The reason is that there is a very, very strongly entrenched opposition to lower taxes. Increase in taxation is exactly what the Socialists want and, as we have seen, the Socialists have been in control of the economic and political machine since the war; even, in Canada where it is almost political suicide to oppose public ownership or social welfare panaceas.

Our taxes have not gone up because of the extravagance and inefficiency of governments; governments are not capable of sufficient extravagance and inefficiency to account for the stupefying increase in governmental costs. No; our taxes have gone up simply because certain interests in Canada, as well as in other countries, were able to put them up and because they have made both Liberal and Conservative governments tools of their Socialist movements. Working through the Socialist theorists are racketeering promoters making money out of government contracts for unnecessary works.

The business man who thinks that he has a right to turn to the government to solve his every problem; the citizen who thinks that the government owes him a living when he gets into distress; the manufacturer who wants tax-free power supplied to him by governments; the farmer who wants the government to guarantee his prices; the laboring man who wants the government to assure him of a minimum wage; these people have no right whatsoever to complain of their high taxes. They have got from the government what they thought they wanted and they should be ready to pay for it.

If now the people of Canada—including the business men—have decided that they do not want to be fooled any longer; if they have decided that what they want is lower taxes and the privilege of spending a larger proportion of their incomes themselves instead of letting governments do it; if they have decided that they have had enough of State Socialism in its manifold forms, then they should say so and their statement of protest should take the form of an objection to the Socialist tinge of government in Canada rather than to the increase in taxes that is merely the product of that Socialism.

* * *

OF COURSE, there has been no idea in the minds of the social reformers that the people who benefitted from new public ownership ventures, new social legislation, new public expenditures should pay their bills. There has been a cleverly concealed idea that, through this process of extending the function of government and increasing the taxes, the so-called wealthy people could be made to disgorge for the benefit of the so-called under-privileged. The failure of this pretty theory is seen in the present world tragedy.

When we get down to the bottom of the demands of the zealous economic and social reformers, who seem to have public opinion under their control today, we find that what they want is not something new, not something radically different from what we have, not something better than what we have, but merely the complete acceptance of principles that the world only half-heartedly supports today.

Abraham Lincoln declared that the state could not continue to exist half free, half slave. One may question if civilization itself can continue on a basis half of individual freedom and half of state autocracy. What we have to choose now is which half we will turn into the whole for the reformation of society.

In taking the momentarily unpopular stand that the way out is not to be found through the Socialism that is urged so widely today, Mr. Moore is giving to Canadians a leadership that has long been lacking among our public men .

ONTARIO TO FORCE GRADING OF HOGS

Enforcement of Regulations May Help to Improve Market in U. K.

Dominion Government hog grading regulations under the Livestock and Livestock Products Act have been placed in force in Ontario. This will mean that the more or less optional treatment of this subject that has prevailed will be abandoned and that the grading will be compulsory.

The primary purpose of this move is to improve the bacon hog for export and domestic markets. The opportunity of Canada to get a larger share of the United Kingdom market is good if rigid enforcement of regulations can improve bacon hogs in this country.

All hogs sold or offered for sale at stockyards or such other points as may from time to time be designated by the federal authorities, hogs arriving at abattoirs, and hogs for export, are subject to grading. Only pure-bred hogs exported for the improvement of stock, and hogs entered for exhibition at foreign, state or national expositions, are excepted.

Under the grading regulations, hogs are divided into the following classes: select bacon, bacon, butchers, heavies, extra heavies, lights and feeders, roughs and sows. Bacon is the quality on which quotations are made. Select bacon is entitled to a bonus of $1 per hog over quotation; butchers and lights are deducted $1 per hog; heavies are deducted $1.50 per hog and extra heavies lose $1.50 per cwt.

Pulp and Paper Group Will Meet Next Month

From Our Own Correspondent

MONTREAL. — Canadian Pulp and Paper Association will hold its annual convention from January 24 to 27. Although complete plans are not drawn up as yet, the tentative schedule calls for a meeting of the Technical Section on January 25 and 26, when discussions will be held on The Use of Sulphite Pulp in the Manufacture of Newsprint, Screen Classification, Further Developments in the Use of Special Steels in the Pulp and Paper Industry and other subjects. The Woodlands Section will meet at the same time to discuss such matters as relations between general and woods management, pulpwood deterioration, construction of wood roads. etc.

A joint luncheon of the two sections will be held on the 26th when the Hon. H. H. Stevens, Minister of Trade and Commerce, will be the guest speaker. The annual business meeting of the Association will be held on the 27th.

Postal Telegraph Reduces Expenditures

Consolidated net income of Postal Telegraph and Cable Corp. for the nine months ended September 30, 1932, is reported at $667,010 as compared with $652,458 in the corresponding period of 1931. Interest on the $50,670,210 of 5 per cent collateral trust gold bonds and debenture stock amounted to $1,900,133 in the first three quarters of 1932. After payment of this interest, the corporation had a net loss of $1,,233,123 which compared with net loss of $1,247,675 in the first nine months of 1931.

Gross earnings to September 30, 1932, are reported at $21,191,216 as compared with $26,086,659 in 1931 while operating and general expenses, taxes and depreciation have been reduced to $20,432,124 from $25,397,040. Telegraph and cable revenues reached the low point during July but showed an upward trend in August, principally due to increased activity in the financial and commodity market. Present revenues are still continuing at a rate above the low point of July, although the activity apparent in August did not continue.

Ottawa to Use "Average" For Insurance Valuations

While no official announcement has been made, it is anticipated that insurance companies reporting to the Dominion government will be asked by the Dominion superintendent of Insurance to value their securities on a basis that approximates the system of valuations adopted by State and Provincial Insurance authorities after their recent conference.

At the New York conference the commissioners agreed upon a system of average valuations based on prices of bonds and stocks over the term of thirteen quarters. As a matter of fact this approximated the valuations in use a year ago but arrangements were made to reduce valuations in the case of securities that were involved in defaults.

The Dominion department, which acts independently of the Provincial and State insurance authorities, will probably adopt a different system of arriving at the same result, and will use practically the same valuations as a year ago with some writing down of the valuation of securities in default.

GUARANTEE WINS $150,000 ACTION FOR ROYAL BANK

Complete Vindication of Bank's Policy Given By Jeffrey

In a recent judgment by Mr. Justice Jeffrey at Sandwich, Ont., the Royal Bank of Canada was given judgment of $150,000 against O. E. Fleming, K.C., Windsor, in an action in which the bank sued on a guarantee given by Mr. Fleming and others to pay indebtedness of Cadwell Sand and Gravell Co., now defunct.

Default judgments had been obtained previously in the same suit against the other guarantors, A. J. M. Bowman, former president of Cadwell Sand and Gravel; F. E. Harvey, former vice-president; Cadwell's Limited, holding company; and Ontario Gravel and Freighting Company, another Cadwell enterprise.

Guarantee Drawn in 1930

The guarantee sued upon was drawn up on December 11, 1930, and was one of a succession of yearly guarantees pledging the debt of the parent firm, Cadwell Sand.

One phase of the defence held that the guarantee was null and void because the two firms which appeared as signatories were not empowered under the Ontario Companies Act to join in such a guarantee. His Lordship, however, ruled that amendments to the act gave the companies such power.

He also pointed out that Mr. Fleming had taken an active part in the business of the Cadwell chain for many years, and had sponsored resolutions and by-laws authorizing the guarantees to the bank.

Shares Held in Trust

In reference to the defence claim that Mr. Fleming had sold all his interests to Mr. Bowman prior to the 1930 guarantee, Justice Jeffrey drew attention to the fact that the stock was never delivered to Mr. Bowman, but was held by a trustee until the purchase payments had been completed.

"There is no doubt that much of the success of the companies in the early days was due to the energy and the business skill of Mr. Fleming," the jurist commented in his judgment.

His Lordship disagreed with the defence contentions that the bank had not treated Cadwell Sand and Gravel fairly after the 1930 guarantee had been drawn, and had begun to press for debt payments, bringing about the "first step" toward bankruptcy of the company.

Stressing that for some time previously, the firm had owed the bank about $150,000, he asked: "Must a bank carry on forever and ever, without asking for money?"

Instead of pressing the company in 1931, he asserted that Cadwell Sand had been allowed to proceed with business and collect book debts. In regard to the latter, he held it could not be "seriously argued" that Royal Bank had acted unfairly in regard to book debts, and had been lax in efforts to realize on them.

The bank had obtained a lawful assignment of the debts. Justice Jeffrey stated, and it was his belief from the evidence that the company had collected about all the money available on the debts prior to the bank getting an assignment of them.

"The bank's dealings with the company have been entirely fair, in my opinion," he asserted.

His Lordship "regretted" the position of Mr. Fleming in regard to the guarantee, but he saw "no escape" for him as to his liability under a "joint and several" pact.

He added that it was likely he would supplement his judgment with further reasons for his decision in favor of Royal Bank.

John B. Aylesworth and G. C. Richardes were counsel for the Royal Bank at the trial, with John H. Rodd, K.C., and Hugh Fleming, acting for the defendant.

Asbestos Shipments Better in November

From Our Own Correspondent

MONTREAL.—Asbestos shipments last month compared favorably with those of the preceding and were on a parity with those for November 1931. Shipments of Crude No. 1 totalled 23 tons, compared with 6 tons in the same month last year. Crude No. 2 exports advanced from 38 to 47 tons, while fibre shipments dropped from 7,781 to 3,468 tons. Shorts in bags exported aggregated 5,972 compared with 5,895 a year ago. There were no shipments of refuse in bulk last month, but 64 tons were despatched in November last year.

Provinces and Dominion To Confer on Jan. 17

Tuesday, Jan. 17, has been fixed definitely as the date for the opening of the Dominion-Provincial conference on unemployment and allied problems. Official announcement to this effect has been made by Prime Minister R. B. Bennett.

Telegrams have been received from each of the premiers of the several provinces; and all provinces, it is stated, will be represented at the opening of the parley.

Contributory social insurance will be one of the major subjects on the agenda.

Public Utility Earnings

Southern Canada Power

November:	1932	1931	Dec.
Gr. earn.	$189,941	$201,766	$11,825
Op. expenses ..	62,952	76,806	13,854
Net earn.	$126,989	$124,960	*$2,029
Two Months:			
Gross	$377,548	$395,129	$17,586
Op. expenses ..	126,076	153,361	27,285
Net	$251,467	$241,768	*$9,699

*Increase.

B. C. Power Corp.

November:	1932 $	1931 $
Gross income	1,093,745	1,203,588
Oper. expenses	734,947	763,668
Net income	358,798	439,920
Five Months:		
Gross income	5,353,653	5,928,728
Oper. expenses	3,791,999	4,041,381
Net income	1,561,654	1,887,345

Crude Oil Price Drop Is Watched in Canada

Changes downward in crude oil prices in the United States are being given concentrated attention by executives of Canadian oil companies these days. Advances of from 10 to 12 cents a barrel were made last October by a number of companies and the Canadian companies did not follow this advance upward. At that time Standard Oil of Indiana and Standard Oil Co. of New Jersey and a number of affiliated companies refused to follow the advance on the ground that it was premature. Exchange premium on United States dollar makes crude more expensive for Canadians.

The Texas Railroad Commission has reduced the allowable production for Texas drastically. Texas is turning out 40 per cent of the United States crude oil. The allowable for the State was placed at 797,745 barrels per day recently with an increase of the allowable in the Conroe field on the Gulf Coast. For East Texas from which Canadian companies draw a considerable amount of oil, the quota has been placed at 310,000 barrels daily.

WORLD PARLEY TO BOOST GRAIN IS FROWNED ON

(Continued from page 1)

strictive policies in various European countries against the import of wheat are based on the feeling that imports from North America, under which designation, whether we like it or not, they are accustomed to link Canada and the United States, cannot be afforded. Let "America" attempt a combine which will be resented in Europe and it is felt that we should see still further restriction of our trade with various countries.

Can Not Impose Will

To suppose that the wheat exporting countries can impose their will on Europe has, of course, been proved entirely fallacious. If countries there do not want or cannot afford to import wheat from outside of Europe, they can grow it themselves or use other available foods, and deficiency countries can secure a good deal from surplus countries. For a considerable number of years the various wheat exporting countries of the Danube basin have been seeking preferred treatment from other European countries for their wheat, and to some extent they have already obtained it. Should France, Italy, Germany, and other countries feel themselves driven to encourage on a grand scale the growing of wheat in Danubian countries to avoid dependence upon non-European countries, Canada might find her export market still further restricted. Nor is it out of the question for such countries to make arrangements with Russia that would lessen their dependence upon trans-Atlantic wheat imports.

Should Consider Buyers

It is stated here that it is with Canada's customers and not her competitors that Canada should be thinking of conferring. We have recently concluded one such conference with Great Britain, the results of which are still a matter of dispute. But Canadian wheat going into France is now subject to a double duty, due to the expiry of the former treaty with that country, and only gets in because of certain export draw-back arrangements which it suits present French policy to make. Attempts are now under way to reach a new understanding with France. We should, as a matter of fact be able to secure discrimination in favor of our wheat, instead of against it, since, because of its special qualities it is complementary to, instead of competitive with the domestic wheat not only of France but of other countries. With every other country which imports our wheat, or might import it, there is a similar special problem.

It is recalled that Canadian farmers have had foisted on them, by political and other kinds of pressure, scheme after scheme, which instead of the initial benefits promised have done great harm to them.

Saskatchewan Wheat Pool has issued a statement urging formation of a national wheat marketing board on the ground that existing wheat marketing machinery has broken down.

The statement says that between three and four million bushels of wheat belonging to western growers were sold under stop loss orders in the precipitate decline of the market on Friday, Dec. 16, when No. 1 Northern touched 38 cents a bushel. It is stated that country deliveries were not responsible for the drop in price on that date.

The statement says:

"The whole situation is of such gravity that international as well as national action is required. At home, as already stated, the first step lies in a Dominion marketing agency. Canada is vitally concerned in the international phase as well and in this connection a movement is now on foot to call a conference of the major wheat exporting countries to seek coordinated policies upon all aspects of production, marketing and financing. Here again the three wheat pools, including Saskatchewan, have made their position clear."

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Glass Production Off 18.5% in 1931

Production from the glass industry in Canada during 1931 was valued at $9,937,411 or 18.5 per cent under the output of $12,191,752 in the previous year and, excepting the $8,842,588 of 1922, was the lowest value reported for any year since 1920.

According to the Dominion Bureau of Statistics at Ottawa, the 66 plants in Canada engaged in the production of glass and glass products reported a working capital of $14,873,963 and afforded employment to a monthly average of 2,956 persons who were paid $3,564,192 in salaries and wages. Purchased materials cost $3,586,570 and the value added by manufacturing processes amounted to $6,350,841.

Pressed and blown glass was produced in six plants, located as follows: two in Quebec, two in Ontario, one in Manitoba, and one in Alberta. This branch of the industry reported an output of $7,103,039 as against $8,673,064 in 1930. Production consisted of bottles, jars, etc.; sheet and plate glass are not made in Canada.

In the cutting and bevelling section of this industry are included all plants engaged in bevelling, cutting or working glass to produce mirrors, bevelled or polished edged plate glass, leaded glass, laminated glass, lenses, chemical glassware, cut glass, store fronts, showcases, glass signs, etc. The number of plants operating in this line totalled 60, distributed by provinces as follows: 36 in Ontario, 11 in Quebec, seven in British Columbia, three in Manitoba, and one plant in each of Nova Scotia, New Brunswick and Alberta. Production from these plants was valued at $2,834,372 in 1931 as compared with $3,518,688 in the previous year.

Imports of glass and glassware into Canada during the calendar year 1931 were valued at $6,179,871, a decline of 25 per cent from the $8,284,741 imported in the next preceding 12 months. Exports during 1931 advanced 16.6 per cent to $175,747 from $150,759. Re-exports during 1931 amounted to $23,080 as against $24,295 in 1930.

Western Honey Output Gains

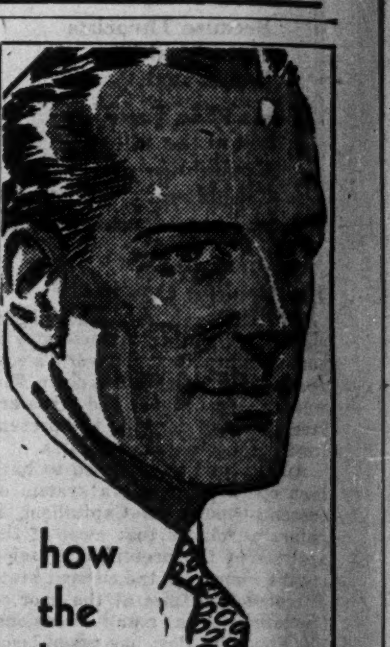
Farmers of the Canadian Prairies are engaging in honey production on an even greater scale than in former years. Custom reports at the city of Winnipeg show that millions of bees have been shipped into the Prairie Provinces this summer and that during the past six months over 10,000 packages of bees destined to Prairie farmers have been cleared. The largest shipment numbered four and a half million bees packed in special containers, which came from the Southern United States.

Retail Trade in Levis, Que.

There were 125 retail stores in Levis Que., in 1930, with 289 employees, payroll $246,500, and sales of $2,516,300. There were 45 service establishments with receipts of $110,200. The food group had sales of $781,500, automotive $539,800. There were 114 single store independents. Census population 11,724.

Gypsum Production Down

Canada produced 52,130 tons of gypsum in September as compared with 69,462 tons in the preceding month and 115,050 tons in September, 1931, according to a report just issued by the Dominion Bureau of Statistics at Ottawa. Production during the first nine months of 1932 totalled 338,611 tons, a decrease of 49.9 per cent from the tonnage produced in the corresponding period



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Dry Dock Company Active

A statement issued by the Saint John Dry Dock and Shipbuilding Company, at East Saint John, states that, since the plant was opened in 1923, a total of 490 craft of all descriptions with a grand tonnage of 905,295 have been repaired there. This is in addition to the structural steel and other allied operations. tobacco consumed in Canada is grown in Ontario and Quebec. In 1931 the total production was 51,400,000 pounds.

To the Holders of External Dollar Bonds of the

Republic of Colombia

DEPARTMENTS AND MUNICIPALITIES

Departments
Antioquia
Caldas
Cauca Valley
Cundinamarca
Santander
Tolima

City of Bogota

Municipalities
Bogota
Cali
Medellin

The gratifying response to the first announcement of this Committee from 30 States and Canada indicates a demand on the part of the bondholders that action be taken for the protection of their interests. In order to meet these numerous demands and further facilitate the deposit of bonds, *additional Depositaries have been named as listed below.*

Statements being circulated by those who counsel delay and a do-nothing policy, or who are trading in the bonds, are misleading and detrimental to the interests of the bondholders.

An official statement just published in the press of the United States shows that this country is buying Colombian coffee in increasing quantities, thus providing gold exchange, and that the balance of trade in favor of Colombia for the first nine months of this year is $33,452,374.

This Committee is, therefore, of the opinion that action should be taken now and advises further deposits of bonds in order that the individual bondholders by united action may be in the strongest possible position in negotiations with the Government of Colombia.

Inquiries and other correspondence should be addressed to the Secretary.

Dated: New York, December 15, 1932.

Depositary
New York—The New York Trust Company, 100 Broadway, New York, N. Y.

Sub-Depositaries
New Orleans—Whitney Trust & Savings Bank
San Francisco—American Trust Company
Canada—Bank of Montreal
Montreal
Quebec
Toronto
Halifax
Vancouver
Winnipeg

RICHARD WASHBURN CHILD, *Chairman*
Former American Ambassador to Italy
FREDERICK E. HASLER
WILLIAM H. JACKSON
FRED LAVIS
FREDERIC R. SAWYER
Committee

Secretary:
DOUGLAS BRADFORD,
120 Wall Street,
New York, N. Y.
Telephone ANdrews 3-0027

CANADIAN MILLERS FIND SEA FREIGHTS DISCRIMINATORY

Believe Flour and Wheat Rates Should Be Closer Together

TO SHIP BY TRAMP

Considering Combined Action to Beat Out Handicap — Millfeed Sales Increase in England

Canadian flour mills still find their business with the United Kingdom curtailed in spite of the Imperial preference because ocean liners still continue to carry wheat much cheaper than flour.

C. F. D. Raikes, Manager of the European Branch of The Northwestern Miller, says cases have been reported where wheat has been carried so much cheaper than flour that the English miller has gained an advantage of nearly two shillings per sack of 280 pounds in the matter of freight alone. In the ordinary way the British miller gets an advantage of one shilling to one shilling and sixpence per sack.

Do Not Want Business

At one time there was a large flour milling business with the United Kingdom established and rates as between flour and wheat were considered fair.

"Nowadays it would seem that the steamship lines carrying export flour from Canada no longer care whether they have the business or not with the result that they are making it extremely difficult for Canadian millers to compete with millers of the United Kingdom." Mr. Raikes says that settlement is difficult to achieve because the head offices of the English steamship companies state the rates are made on this side, and on this side of the water the buck is passed back to England.

May Use Tramp Steamers

British flour importers maintain they are helpless in the matter and Canadian millers also say they cannot do anything. The situation is growing worse and it appears likely that Canadian millers will combine to use independent tramp steamers as the best solution. It is even being proposed that they should refuse to ship any flour by the lines unless flour is put on a fairer trade basis than at present. Neither the millers nor importers expect the flour to be carried by steamship lines as cheaply as wheat, but they do ask for fairer treatment.

In the United Kingdom consumers appear willing to pay one shilling or even two shillings for 280 pounds above the price of English flour for Canadian flour, but they cannot stand the present difference of four to five shillings per sack. While Canadian flour sells at 23 shillings for 280 pounds, English milled flour guaranteed to be made entirely from Manitoban wheat is selling at the equivalent of 19 shillings and sixpence, c.i.f. London. Australian flour is purchased around 17 shillings and sixpence, to 18 shillings, although Australian wheat and Manitoban wheat are both selling in the United Kingdom at the same price.

Millfeed Sales Gain

Imports of Canadian millfeed are reported from London to be on a fair scale with a tendency to increase. The 10 per cent ad valorem duty against non-Empire countries has helped Canadian and Australian millers to secure a share of the millfeed trade of the United Kingdom. Some of the Canadian millers are shipping a larger flaked bran and this has helped the sale of their product. Many consumers are prejudiced against the fine brans shipped by many Canadian mills.

UNION GAS SALES ARE STIMULATED BY COLD WEATHER

Both Coke and Natural Gas Output Respond to Temperature Changes

In common with the experience of retail companies and all fuel companies, cold weather in November and December has greatly stimulated the business of Union Gas Co., and subsidiaries, including United Fuel Investments of Hamilton. In the last two years these companies have had to report declining outputs because of a mild winter. That is all changed this winter; the increase in natural gas sales in November was approximately 30 per cent over November of 1931. Taking the year as a whole, there has also been some gain in gross output since March 31, the close of the last fiscal year, to October 31. The increase in November and December is all the more encouraging for that.

The increase in the first seven months of the fiscal year was due almost entirely to operating economies and is believed to have increased the net earnings of the parent company before reserves by some $145,000.

Coke sales in November are stated by S. A. Morse, president and general manager, to have been 12 per cent in advance of November, 1931, offsetting to some extent the decline of 5 per cent in the period from March 31 to October 31.

The company has a large house-heating load in its natural gas territory. Last winter was the mildest in the history of the company in Southwestern Ontario and the temperature is, therefore, a very important item in the company's business.

Union Gas Co. is both a distributing and holding company, serving directly or through wholly owned subsidiaries Windsor, Chatham, Sarnia and a large number of smaller communities and rural districts. Through City Gas Co. it serves London, and through United Fuel Investments it distributes manufactured and natural gas in Hamilton and sells large quantities of by-product coke and other residuals over a large territory.

Imperial Oil Cuts Farm Debts in West To Meet Grain Price

Total is Considerably in Excess of Five Million Dollars

FIVE YEARS TO PAY

Back Interest is Wiped Out —Affects About 35,000 Accounts—For Customers Only

Because 35,000 Prairie farmers have been unable to pay Imperial Oil, Ltd., for gasoline, kerosene, fuel oil and lubricating oil obtained in 1929 and 1930 owing to the sharp drop in the price of wheat, the company is announcing in newspapers throughout Western Canada its willingness to adjust debts on a five years installment basis beginning October 1, 1933. The plan includes for those who accept it the undertaking of the company to cancel entirely all interest charges on these farm debts up to October 1, 1933, and to carry balances thereafter on its books at 4 per cent interest. It will probably be considered of even greater importance in Western Canada that the company is willing to adjust equal instalments payable on these debts on the basis of the price of wheat on each October 1 as compared with the average price in 1929 and 1930 so long as wheat prices stay below that old level.

Lent First as Emergency

This plan will make the old debts comparatively light for the farmers concerned as the total debt, though well in excess of $5,000,000 according to evidence given at Ottawa last spring, is comparatively light when divided among the 35,000 customers who were given credit and still lighter when divided over five years. The plan is all the more generous to the Western farmer in view of the fact that the company in 1929 and 1930 departed from its established policy of selling for cash in order to meet an emergency. Many farmers were then unable to pay cash for the fuels and oils needed to seed and harvest their crops. This emergency credit permitted thousands of farmers to work their land, otherwise they would have been unable to do it. The company hoped that satisfactory crops and prices would restore prosperity to the entire Western agricultural community. The farmers hoped the same thing. Both were disappointed but the wheat produced with these products was marketed at an approximate average price of 70 cents per bushel.

Wheat Prices Regulate Payment

Taking this price as a basis the company proposes an adjustment of principal and interest whereby the farmers' annual payments will be in the same ratio to the amount due as is the price of wheat at the time payment is due, to the price of 70 cents. The price upon which adjustment will be made will be the price of No. 1 Northern Wheat at Fort William at the close of the Winnipeg Grain Exchange on October 1 of the year in which payment is due. If the price should be below 70 cents, the installment due from the farmer will be reduced proportionately. On the other hand, should the price be in excess of 70 cents the installment due will not be increased and the farmer will enjoy entirely the added benefit of a higher price.

Applies for Five Years

The same method will apply during the five years over which payments are being extended. For example: if wheat is 70 cents a bushel or more on October 1, 1933, a farmer owing an installment of $63 would pay his installment in full. If, however, wheat is 60 cents a bushel on that date his installment would be $54, a saving of $9. If wheat is 50 cents a bushel on that date his installment would be $45, a saving of $18. Should the price of wheat be below 50 cents a bushel a reduction in the same ratio will be made. This plan includes an arrangement to continue the business relationship between Imperial Oil and its Western farmer customers.

A farmer may at any time after October 1 next pay his account in part or in full and the amount payable will be adjusted on the basis of the price of wheat on October 1 preceding date of payment.

Staying By the West

The company has served Western farmers from the pioneer days and since petroleum products were first required on Prairie farms it has maintained a continuity of supply at all points. The new policy of the company indicates the company's purpose to maintain that position unimpaired in the future.

Asked by The Financial Post what measure of success is expected from this plan, an executive said he expected wide acceptance.

"Our experience," he said, "has been that Western farmers meet their obligations as quickly as their circumstances permit. In view of conditions, when through no fault of their own their incomes have been greatly reduced, we believe that they should be given all possible assistance by deferred payment, by low interest charges and by prorating their obligations to their earning ability.

Smoothing Way For Debtor

"Not as a company pronouncement but just as a personal opinion," he continued, "I think the company is making a move which might be followed with advantage in many spheres. I know that every company cannot wisely take the exact kind of action we have taken in Western Canada. That is not what I mean. In the international field you have nations in Europe urging strongly on the United States that debts incurred during the war and afterward when prices were higher than at any time for half a century become impossible to pay at present price levels. In times of active business such arguments do not carry weight but in a time of extreme emergency the creditor will find it in his own best interest eventually to make payments as easy as possible for the debtor.

Must Restore Confidence

"Debts should be paid. No honest man will dispute that. No reasonable man will dispute also the evident fact that payment of debts incurred on the old-time basis has become very difficult for many Western farmers. The burden of debt, when it cannot be paid, impairs confidence and until confidence is restored how can employment increase and prices rise to reasonable levels?

"Rightly considered, this policy is complementary to our five-day week policy. That policy reduces unemployment and therefore creates a larger market for agricultural products. If the farmer is relieved from the immediate pressure of his debts and payment is provided for on an easy plan, we think that should help him materially in his recovery. His recovery will help us. He needs our products to do his work properly in our opinion. His interests in the West are our interests; both of us must prosper to help the other."

Heads New Office

H. C. SKINNER

Who has been appointed manager of the new Winnipeg office of Norris-Patterson, Ltd., advertising agency, Toronto. Mr. Skinner, in his many years of publishing and advertising agency experience, has become well known in Winnipeg and the West through his connection with many successful campaigns in Western Canada. Norris-Patterson now have offices in Toronto, Montreal, Saint John, Winnipeg, Edmonton and Vancouver.

Canadian Paper Output Placed at 1,950,000 Tons In Preliminary Survey

Production This Year Slightly Ahead of 1926

AMERICAN NEEDS

Consumption in United States is Estimated at 2,835,000 Tons for 1932

From Our Own Correspondent

MONTREAL. — Newsprint production in Canada during 1932 will total in the neighborhood of 1,950,000 tons, while that for American mills will be in the neighborhood of 1,000,000 tons, according to preliminary estimates prepared by The Financial Post. This compares with 2,221,000 and 1,157,000 tons, respectively, during 1931.

Interim figures on production up to the end of October, as prepared by the News Print Service Bureau, indicated that operations were on an appreciably lower scale than in 1931.

Record in 1929

Four years ago newsprint production in Canada reached record heights, when 2,729,000 tons were manufactured. There was a drop of 225,000 tons in production during the following year and a further recession of 275,000 tons in 1931.

Since the beginning of the current year demand has continued weak. Newsprint mill operations have been slowed down to meet the new conditions. While seasonal increases in demand are expected for the balance of the year unreported, it is estimated that the total newsprint manufactured in Canada this year will not exceed 2,000,000 tons.

Distribution of Output

On the basis of official returns for the first nine months of the year and estimates for the last quarter, The Financial Post places distribution as follows: overseas shipments, i.e., exports to countries other than the United States, 265,000 tons; United States, 1,550,000 tons; and retained for domestic consumption, 135,000 tons.

Complete returns for 1931 show that Canada produced 2,221,000 tons. Of this amount 255,000 was shipped to overseas markets; 1,753,000 to the United States and 213,000 tons retained at home.

Recession in Force

The manner in which production has increased and decreased in Canada in the past decade is set forth in the following table:

	Tons
1923	1,266,000
1924	1,353,000
1925	1,522,000
1926	1,882,000
1927	2,087,000
1928	2,381,000
1929	2,729,000
1930	2,504,000
1931	2,221,000
1932 (estimated)	1,950,000

Inasmuch as newsprint production in Canada is so dependent upon the demand from American publishers, a close survey has been prepared of the apparent and likely consumption of newsprint in that market.

United States Needs

One of the best barometers of consumption of newsprint paper in the United States is to be seen in the reports of the publishers. On the basis of reported consumption by 422 publishers, who between them have accounted for an average of 60 per cent of the total apparent consumption over the past ten years, it is estimated that the United States needs for 1932 will aggregate 2.835,000 tons.

The manner in which the needs of these 422 identical publishers have varied from year to year is set forth hereunder:

	Actual Monthly Average Purchases in Tons
1923	151,179
1924	136,829
1925	148,897
1926	166,780
1927	172,998
1928	177,241
1929	190,244
1930	176,501
1931	164,142
1932 (seven months only)	145,853

Details of Consumption

During the first nine months of this year the apparent consumption of newsprint in the United States amounted to 2,116,986, or an average of 235,220 tons per month. This compares with the high of all times in 1929 of an aggregate of $3,794,000 or a monthly average of 316,165.

The close relation between actual apparent consumption and the purchases of the 422 reporting publishers is set forth in the attached table:

Year	Apparent Consumption	Monthly Average	% Taken by 422 Publishers
1923	2,778,000	231,500	65.00
1924	2,821,000	235,083	58.25
1925	2,955,000	246,250	61.50
1926	3,516,000	293,000	57.00
1927	3,458,000	288,500	60.25
1928	3,564,000	297,165	59.75
1929	3,794,000	316,165	60.80
1930	3,552,000	296,000	59.70
1931	3,214,000	267,575	59.40
1932*	2,116,986	235,220	....
1932†	1,687,702	241,100	61.75

*First ten months of year.
†First seven months of year.

Sources of Supply

It is estimated from reports at hand for 1932 to date that the United States apparent consumption of newsprint this year will be in the neighborhood of 2,835,000 tons.

American mills will contribute about 1,000,000 tons to meet domestic needs this year. Imports from European countries will contribute another 150,000 tons or roughly about the same as in 1931. Newfoundland has not maintained its position in the American market this year, and it is unlikely that the United States will draw more than 110,000 tons from that source, as compared with 159,782 tons in 1931.

Last year Canada supplied to the United States 1,756,056 tons. During the first nine months of 1932 shipments across the line have totalled 1,159,826 tons, while for the full year The Financial Post estimates exports at 1,550,000 tons.

Hamilton Cotton Co. Maintained Volume

Hamilton Cotton Co., whose net earnings after depreciation declined continuously from $186,844 in 1928 to $54,797 in 1931, is not expected to show improvement in its financial statement for 1932.

The Financial Post understands that production has run practically the same in volume as in 1931 but the decline in price has made the dollar value of the goods less. There was no material decline in the price of raw material to offset this lower price and therefore increased profits were impossible. In 1931 earnings covered bond interest of $51,494 with $3,303 to spare. Working capital was good. The company has not had to meet preferred dividends in 1932.

Salt Production Shows Gain

The production of commercial salt in Canada increased 6.2 per cent to 15,218 tons in September as compared with 14,331 tons produced in August, while shipments during the first nine months of the year 1932 totalled 123,007 tons, an increase of 5.1 per cent over the total for the corresponding period of the previous year, the figure for 1931 being 116,993 tons.

PLANT MIGRATION TO CANADA, U. K. OBSERVED IN U. S.

Commerce Secretary Says Tariffs Are Cause

Migration of branches of United States industries to Canada and Great Britain was mentioned in the annual report of the United States Secretary of Commerce, and the report pointed out that, although not in such large numbers as formerly, the migration continued during the 1932 fiscal year. The radical change in the British tariff policy and the depreciation of sterling were suggested as reasons for the migration to that country. The discount on Canadian dolars also was said to be a factor in such migration.

The report said:

"In the case of Canada, the number of branches actually established during the year has probably increased in comparison with the preceding year, although the lack of adequate information on the investment involved makes it impossible to determine the real progress of the movement. The discount on Canadian exchange has introduced a new element and has added to the difficulties of marketing American products. On the other hand, the uncertainty as to the outcome of the Ottawa conference probably had a retarding effect

British Tariff Policy

"The radical change in the British tariff policy and the depreciation of sterling have served to attract attention to England as a location for branch factories. It is rather interesting to note that in spite of the great interest aroused among American industrialists, the European manufacturers have shown a much greater readiness to adjust themselves to the new situation by the actual transfer of their industry or the establishment of manufacturing branches. In the case of Germany, the government found it necessary to impose an export duty on second-hand machinery and restrict exchange in an effort to discourage the migration of German plants to England.

"The reluctance of American manufacturers may be ascribed largely to the fact that a number of the principal producers in the United States have Canadian branches, many of which have been established with a view to supplying the Empire market; those without such branches were inclined to await the results of the Imperial Conference at Ottawa.

"The number of new American branch factories actually established in England within the last year is much smaller than the number established in Canada, but the interest aroused among American manufacturers by the changed economic situation in that country would seem to indicate the possibility of a stronger branch factory movement in the future, depending of course on the outcome of the Imperial Conference at Ottawa."

Obituaries

P. L. Monkman, manager in Canada for the Yorkshire Insurance Co. Ltd., died at his home in Montreal on Dec. 6. Mr. Monkman was born in Yorkshire, England, in 1881, and represented the company in Japan before coming to Canada in 1923 as manager.

Robert F. Segsworth, a leading Toronto lawyer and mining executive, died at his home on December 18, of streptococci of the lungs at the age of 65 years. He was long identified with mining activities and at his death was a director of Dome Mines Ltd. The late Mr. Segsworth was born and reared in Toronto and spent most of his life in that city. He was educated at the Toronto Normal School and later attended Jarvis Collegiate. Afterward he studied law with the late Dr. Robert Snelling. His collection of art treasures and books is recognized as one of the finest private collections in Toronto. He was active in Masonic circles and was a past master of Wilson lodge.

Footwear Production Increases

The leather footwear industry showed an improvement for the first ten months of 1932 over the same period last year by 250,500 pairs produced, and an even greater increase in production as compared with 1930.

Production for October last wa 599,190 pairs, an increase over previous October of 45,000 pairs.

New Industrie

and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Dodge Manufacturing Co. is producing the complete line of p ucts of the Portable Machinery of York, Pa., manufacturers of p able conveyors and allied equipm at the Dodge plant, 58 Pelham Ave Toronto, for the Canadian and Bri Empire markets. Under the arra ment with the United States con the Dodge Mfg. Co. is also hand sales of these products in Ca through its present branches at M real, Winnipeg and Vancouver, an other Empire countries through trade connections.

Ever Hot Heater Co. of Detroit arranged for manufacture of its h ers at the Walkerville plant of Truscon Steel Co. of Canada, Ltd. product is known as the "Ever heater.

General Motors Products of Ca Ltd., Oshawa, Ont., is to estab new zone headquarters for the M time Provinces at Moncton, N.B. the middle of February, 1933. company will be located in a building on Downing St., now b erected. The building will con parts department, general offices, sales and finance departments and branch will employ some 60 pers

May Negotiate Sale Howe Lumber As

From Our Own Correspondent

MONTREAL.—Negotiations are der way for sale of the residu the estate of Howe Lumber Co. bankruptcy since November, 1 Details are not available but i understood that the sum will allow any distribution to sharehold

Progress has been made by the todian of the estate during the year, but settlement of advances m under section 88 of the Bank Act absorb practically all of the c pany's assets.

*

Made to order for Canadians

A NEW CHEVROLET SIX

with Fisher NO-DRAFT Ventilation

COMING SOON — the new 1933 Chevrolet Six — styled, powered and priced to be first choice among low-priced cars!

It's "Air-Streamed"—the most excitingly-styled Chevrolet you've ever seen! It's the *biggest car* in the low-price field—longer, roomier, with new riding comfort! It wins a complete victory over vibration—with an even smoother *Cushion-Balanced* six-cylinder engine! And it offers the greatest development since the introduction of the closed body—*Fisher NO-DRAFT Ventilation!*

REFLECTS THE "DRIVER'S VIEWPOINT"

* For months, Chevrolet and General Motors asked motorists, "What is your idea of the perfect low-priced car for 1933?" A unique automobile-questionnaire was broadcast throughout Canada. And motorists gave a complete inventory of the Canadian public's tastes and desires.

Then Chevrolet handed this final check-list of public preference to the engineers. Naturally, they had been working ahead on the new car . . . . but purposely, they had kept their programme flexible, so that everything you could reasonably ask for would be included in the new Chevrolet.

WHAT 30,000 MOTORISTS TOLD US

THE AUTOMOBILE BUYER'S GUIDE

This "Automobile Buyer's Guide" summarizes the results of our recent survey among Canadian motorists. Not an advertisement, this book provides information which you will find valuable in choosing your next car. Write for free copy to Customer Research Dept., General Motors Products of Canada, Limited, Oshawa, Ontario.

And in just a few days it goes on display at our showrooms — the new, 1933 Chevrolet Six, Made to Order for Canadians!

It looks entirely new! Has unique "Air-Streamed" styling. New bodies by Fisher—the biggest, roomiest bodies in its price class. V-shaped radiator. Skirted fenders.

It does breath-taking things! Soaring top-speed—smoothly. Acceleration from a standstill to 45 in seven seconds — smoothly. Forty m.p.h. in second gear—smoothly.

It's thrilling to ride in and drive! Extra horsepower unleashes new "punch". New Silent Second Syncro-Mesh lets you use *all* the acceleration under the hood. New Octane Selector gets all the pep and power out of every kind of gas—lowest-priced or premium quality. And a new low center of gravity permits wonderful riding-ease over rough, bumpy roads.

WHAT OTHER NEW FEATURES?

Safety Glass windshield. "Starterator"—a new, highly-simplified starting system. Larger, even more effective brakes. Improved down-draft carburetion. New style upholstery. Cowl ventilator. Pointer-type speedometer. And a dozen more that we haven't space to tell about!

Remember, too, that the new Chevrolet is the *proved Six.* You can count on it to be just as trouble-free and long-lasting as Chevrolet after Chevrolet has been before it. And—you can count on even greater economy!

Keep your eye on Chevrolet . . . learn what "the driver's point of view" has accomplished in motor car design!

Prices that take account of today's incomes . . . easy GMAC terms . . . generous Dominion-wide Lubrication Plan, including ten free chassis lubrications.

CHEVROLET

GM GENERAL MOTORS PRODUCTS

NOW ON DISPLAY

THE GREAT CANADIAN VALUE . . . PRODUCED IN CANADA

Utilities and Transportation

MONTREAL POWER STARTS CAMPAIGN ON TAX INJUSTICE

Wants Income Tax Burden Equally Distributed on Systems

From Our Own Correspondent

MONTREAL.—Montreal Light, at and Power Consolidated con- ues its fight against inequali- s of the income tax as affecting blic utilities. The income war x assesses privately-owned utili- s with the full tax which is cessarily collected from the cus- mers of such utilities; while blicly-owned enterprises, and nsequently their customers, are tirely exempt. Previous pro- sts against such inequitable taxa- n have been unavailing and it felt by the company that in- vidual petitions from customers the privately-owned utilities st result in legislative action to rrect the existing injustice.

The company has circularized its 3,000 customers enclosing a peti- n in the form of a postcard to dated and siged by the petitioner d returned to the company for ansmission to the government. is circular letter reads, in part, follows:

"Montreal citizens have paid 409,148 income taxes to the Federal vernment in their bills for gas and ctric service to the end of 1931. nsumers served by publicly-owned lities—in Toronto, for example— e paid nothing. This discrimina- n results from the provisions of Income War Tax Act which as- sses privately-owned utilities the l federal income tax (necessarily lected from their customers) while blicly-owned utilities (and conse- ently their customers) are entirely mpt.

Protests Are Unavailing

Protests against this injustice have n made to the present and past ernments by this company, sup- ted by the leading public bodies the press of the city and province, gesting that income tax should be essed equally upon the customers both publicly and privately-owned lities, or that both should be ally exempt. Those many protests e been ignored. It is not the in- tion that Montreal citizens should relieved from paying their fair re of the running expenses of the ntry, but rather, that they should be called upon to pay a tax from ich citizens in other parts of the ntry escape. Nor does this com- ny seek to avoid legitimate taxa- , inasmuch as if the tax cannot be itably applied, and is consequently noved, the company has formally lertaken to pass the benefit to its tomers by means of reduced rates.

Would Permit Reduction

For example, income tax paid by company last year amounted to 8,360 which, if applied to electric ting would permit a reduction in e of one-third of a cent per kilo- t hour; or, if applied to gas cook- , would permit a reduction in rate 14 cents per thousand cubic feet. ce the Federal Government has ored suggestions for the correction this tax anomaly it is proposed t all customers of privately-owned lities, upon whom the burden di- tly bears, should now join in a lective petition demanding redress m the government.

Therefore we feel it our duty, on alf of our 263,000 customers in ntreal, to circulate the enclosed ition and when signed submit it consideration and action at the sent session of Parliament. Natur- the effectiveness of this appeal largely depend upon the number petitioners so it is to your direct rest to sign and mail the enclosed paid, addressed post card imme- tely."

uthern Canada Power Annual Meet Routine

From Our Own Correspondent

ONTREAL.—The annual meeting the Southern Canada Power Co. of a routine nature, the report statements being adopted unani- usly. of 400,000 common shares standing, 304,110, or 7.76 per cent, e represented in person or by xy.

answer to a question by a share- der, with reference to a claim for 000 by the Canadian National lway, J. B. Woodyatt, president general manager, explained that Canadian National were suing thern Canada Power for that ount in connection with flood dam- alleged to have been sustained 1928. In Mr. Woodyatt's opinion did not see how the company could held responsible for the damage he was confident that Southern ada Power would be successful in nding the suit.

SOUND UTILITY INVESTMENTS

The following bonds afford safety of principal and pay a good interest return amply protected by earnings.

	Rate	Maturity	Approx. yield
Ottawa Valley Power Co.	5½%	1970	5.62%
B. C. Power Corporation	5%	1960	6.40%
Canada Northern Power	5%	1953	7.05%

Mail inquiries invited

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Anglo-Newfoundland Installing Machine

From Our Own Correspondent

MONTREAL.—Anglo-Newfoundland Development Co., a Rothermere organization operating a 400 ton newsprint mill at Grand Falls, Nfld., is now installing an additional newsprint machine. No details are available as to the size of the machine or when it is planned to bring it into operation. The machine, however, will likely be similar to those already in use and will have a capacity of 100 tons daily.

Anglo-Newfoundland has been operating at capacity throughout the year. Its output is shipped to England. No public financial statement is issued by the company as its capital was privately subscribed by Lord Rothermere and other English interests.

N. B. TELEPHONE COMMON STOCK DIVIDENDS CUT

New Rate of 5 Per Cent Reflects Drop in Earnings

From Our Own Correspondent

MONTREAL.—Directors of New Brunswick Telephone Co., controlled by the Bell Telephone Co. of Canada, have decided to reduce the dividend rate on the common stock from 6 to 5 per cent per annum. This will be payable January 15 to shareholders on record the last day of December.

The new rate places the common stock on a lower dividend basis than has prevailed in any year since 1909. Between that year and 1913, the company paid 6 per cent. In 1914 and 1915 the rate was advanced to 7 per cent and from 1916 to 1931, 8 per cent was paid on the common stock. On April 15 last the company reduced the dividend from 8 to 6 per cent.

No official report has been published by New Brunswick Telephone on its current earnings. Last year earnings of the company applicable to the common were equivalent to 6.32 per cent a share.

Heavier Station Loss

For the first time in many years 1931 showed a decrease in telephone stations installed. During the first nine months of this year a further decrease of 5½ per cent in stations has been recorded.

It is reliably reported that telephone operating revenues for the first nine months of 1932 showed a decrease of 8½ per cent compared with the corresponding period last year.

This would indicate that earnings on the common stock for 1932 are likely to be less than 6 per cent. Action of the directors in putting the stock on a 5 per cent basis would indicate that returns will be sufficient to take care of that charge.

Rail Executives Decide Against Wage Restoration

From Our Own Correspondent

MONTREAL. — Canadian Pacific, Canadian National, Quebec Central and Temiskaming and Northern Ontario railways have informed the rail union heads that the 10 per cent cut now in effect will not be lifted on February 1, when the present agreement expires. This action is taken on the ground that earnings did not justify a return to the old rate.

Under the terms of the agreement signed last year the rail union executives were promised a return of the 10 per cent cut in pay providing business conditions warranted such action. The record of the railroads for the past year is being offered, it is said, as an effective argument by the companies for continuing the cut for another year at least.

Meanwhile the union executive is said to be preparing a full memorandum to make their reply to the companies and are making preparations which will pave the way to a meeting between the two interests.

List Twin City Transit

From Our Own Correspondent

MONTREAL. — Montreal Stock Exchange announces the listing of 220,000 common shares of no par value of the Twin City Rapid Transit Co. This stock has long been listed on the Toronto Stock Exchange.

C. P. STEAMSHIPS LOWERS SAILINGS, CUTS EXPENSES

Passenger Traffic Out of Canadian Ports Has Gain in 1932

From Our Own Correspondent

MONTREAL.—Though the travelling public derived some benefit from the radical reductions in Atlantic rates which became operative last spring, general traffic was not increased sufficiently to offset the loss of revenue entailed and steamship lines curtailed their sailings to meet the situation. Canadian Pacific Steamships cut its eastbound sailings to Europe to 680 compared with 820 in 1931 indicating a substantial savings in operating expenses.

Chief curtailment in the company's services was effected in sailings from the United States. Sailings from these ports this year have been reduced 17 per cent compared with last year but those from Canadian ports were lowered by only 4 per cent. Further, aggregate eastbound passenger statistics from Canadian ports actually show an increase in 1932 while those from American ports record a decrease.

Short Cruises Operated

The company has continued to take advantage of the popularity of short cruises and some ships not employed on the Atlantic have been used to cater to demands for short cruises in the British Isles. The short sea trip idea has spread to the Canadian Pacific services in the Orient and excursions have been organized from China to the Phillipine Islands.

Last year net earnings of Canadian Pacific ocean and coastal steamship lines were $487,517. In the previous year the figure had been shown at $7,031,939 of which $6,500,000 represented a special distribution of surplus of the Allan Steamship Co.

MONTREAL TRAMS SEEK LOWER WAGE

Propose to Employees a General Cut of 10 Per Cent

From Our Own Correspondent

MONTREAL. — Montreal Tramways Co. have placed before the Tramways Union men a new wage schedule calling for a reduction of 10 per cent in wages. The company is asking for a blanket cut of 10 per cent for one year (at least) dating from January 1. The present contract between the union and the company does not expire until July 1 next.

It was claimed by company representatives that in January, 1930, the men were given an increase of four cents an hour which went into effect at once though at that time the existing contract was not scheduled to terminate until July 1 of the same year.

This extension of six months three years ago is being sought as a refund in the present negotiations.

Union officials are quoted as saying that no particular objection is raised over the move to have the new rate come into effect six months before the agreement expires in view of treatment in the past. The size of the cut, however, does not meet with general approval and a memorandum is being prepared for presentation to the company showing why a cut of less than 10 per cent should be made. It is expected that all differences will be settled amicably.

Passenger traffic of Montreal Tramways has fallen off during the current year and in the first eight months total number of passengers carried was 190,544,989, a decrease of 9.73 per cent from the same period last year. Gross income in the first eight months of 1932 was off eight per cent amounting to $8,919,514 against $9,720,000 in the corresponding period of 1931.

Ottawa Electric Railway Has to Fulfill Contract

From Our Own Correspondent

MONTREAL. — An agreement between the Ottawa Electric Rly. Co. and the City of Ottawa, whereby the former agreed to pay the latter on a mileage basis for occupation of the streets of the municipality by the company's tracks, has been upheld by the courts which have ruled that the agreement is a "perpetual agreement" which can only be cancelled at the expiration of any five-year period from the date of the agreement.

The contract, which was entered into on July 25, 1924, calls for the payment by the company to the city of $500 per mile of streets occupied by the company's tracks for each year of occupation under the agreement; except where the streets were permanently paved, when the payment was to be at the rate of $1,000 per mile, and in the same proportions for distances less than a mile; and a bonus of $1,000 a mile for any pavements constructed by the company in Ottawa. The agreement is also binding in relation to the payment of additional mileage for the operation of cars on Sunday.

Jamaica Public Service Income Better in October

From Our Own Correspondent

MONTREAL.—An improvement in operating income position, taking the £ sterling at parity, is reported by Jamaica Public Service Ltd. and subsidiary companies for October last. Gross earnings amounted to $63,072, a drop of $1,533 over the same month a year ago. The cut in expenses offset the loss in revenue, so that net earnings amounted to $25,468, up from $23,698 in October, 1931. After taking care of interest and amortization charges, there remained a balance of $16,177 for reserves, retirements and dividends This compared with $14,291 in October, 1931.

Cumulative returns for the 12 months ended October 31, 1932, show gross income of $319,288 and net earnings of $319,288. After taking care of prior charges, the balance available for reserves, dividends, etc., was $207,709. During the preceding 12 months' period gross income was 833,520 and net earnings $342,329. The amount applicable to reserves, retirements and dividends was $233,024, or $25,314 more than for the following 12 months' period.

Southern Canada Power Profits Ahead Last Month

From Our Own Correspondent

MONTREAL.—Further increase in net operating revenues is reported by Southern Canada Power Co. during the past month. Gross earnings in November amounted to $189,941 compared with $201,766 in the same month a year ago. Operating expenses were cut from $76,806 to $62,952, leaving net earnings at $126,989 as against $124,960 in November, 1931.

Cumulative returns for the first two months of the current fiscal year show a gross income of $377,543, or $17,586 less than during the same two months of 1931. Operating expenses were cut $27,285, so that net operating income at $251,467 was $9,699 higher than for the corresponding period a year ago.

Regulation of Trucks Urged Upon Provinces

Duff Report Recognizes Their Need and Their Service But Demands Equalization of Competition With Railways

By F. S. C.

No exhaustive enquiry could be made into the problems of the railways in Canada without an attempt to measure the extent of the revenue losses from the competition of those using motor trucks to transport goods from one centre to another. The Duff Commission did not overlook this important phase of Canada's transportation problem. Since the control of motor vehicles is a provincial rather than a Dominion matter, the commissioners made no extensive recommendations but they provided a great deal of data.

The commission estimated that the railways are losing at least $20,000,000 a year to trucks, a loss that is very considerable and of tremendous import to the future of the railways in Canada. The railways placed the figure much higher. They estimated the loss of traffic to common carriers at 1,500,000 tons for 1930. The freight lost was worth about $8 a ton. An equivalent amount was lost, they felt, to privately owned trucks. This would have made the loss $24,000,000, but this was scaled down somewhat by the commission.

Competition Is Bound to Increase

But whatever the loss today, it is increasing and it is impossible to estimate what it may ultimately be. Unless truck operations are being conducted on an unsound basis of cost and will therefore decline, or unless some form of restriction and limitation of their activities is brought about by competent authorities, a progressively increasing loss will be experienced by the railways in the future which cannot fail to have a damaging effect on earnings, the commissioners admit.

At the present time chaotic competition between truck operators makes estimates of truck costs and profits difficult, leading the commission to declare that until there is regulation and fixing of tolls, as in the case of the motor coach, operating conditions will be chaotic and there will be many failures amongst common carriers of freight, but it is not likely that there will be any considerable diminution in the competition that the railways are now experiencing from this service. The experience in all the provinces has been that when an operator drops out because of financial difficulties, another appears to take his place.

Little Uniformity in Taxation

In Canada there is yet little regulation of motor truck transport and no uniformity as regards taxation. Taxes imposed are governed more by provincial revenue needs than in relation to highway costs. Says the report:

> "It is not in the interests of the railways that taxes on these vehicles should be so high as to be prohibitive or even restrictive. The motor truck is a necessity in transport. Freight movement to and from railway stations must take place on the highway, and industrial and agricultural development would be retarded by taxation which might be designed solely to bring about restriction of the use of motor trucks on the highways.
>
> "At the same time the trucks should pay a fair charge for the use of the right of way which is provided for them by the State, and it would seem doubtful if the scale of fees for registration in the various provinces, even when the gasoline tax is taken into consideration, does provide for a satisfactory contribution from these conveyers."

The extent to which the present unregulated truck competition could be brought under control is discussed in the Duff report. There are several good reasons for such regulation by the provinces but we are here chiefly concerned with the desirability of equalized conditions of operation as far as possible between the railway and the truck service. As the report says "The truck cannot replace the railway and it must not be allowed to completely strangle its competitor and leave the country without an essential transport service."

Trucks Take Much of Profitable Freight

The trucks are taking much of the essential and profitable short-haul package freight traffic of the railways and thinning out traffic in some lines to the point of making operation unprofitable.

> "Trucks might be licensed only for operations within reasonable distances of manufacturing and distributing centres, which should be fixed by the highway authorities of each province after consultation with the railways and the shippers immediately concerned. As a condition of the establishment of zones the railways might be required to give a more frequent service and to simplify their freight classifications and modify the present onerous requirements as to crating and packing. As the railways develop pick-up and store delivery service, to which they are now giving serious attention, there will be less objection by the public to zoning of truck operations and to the consequent restrictions in the freedom of movement of these vehicles over the rural highways.
>
> "In the case of thin traffic lines, it would seem that, as a matter of policy, provincial highway authorities will have to make a choice between the motor and the railway, and refuse permits to the common carrier truck and coach. In some cases the railways could assist by giving more frequent service with unit cars, reserving the steam-operated trains for the carriage of heavy commodities."

Suggest Conference to Discuss Problem

In any event the responsibility of regulating motor truck traffic rests upon the provinces which are urged—in co-operation with the Dominion—to call a conference at which a body might be set up to study and report upon areas where rail services are being rendered unprofitable without being superfluous by reason of the competition of road transport, to the end that steps may be taken to restrict, or even prohibit, highway carriers in these areas. A study should also be made, it is stated, of the possibilities of assistance to the railways in maintaining their present freight rates structure by a zoning scheme for the licensing of all trucks as a practical step toward co-ordination of rail and motor traffic, or such other plans or schemes as may seem to promise relief to the railways.

The many thousands of words of the report dealing with truck transportation of freight boil down to the following recommendations:

> "In our view the general principles upon which operators of road passenger services and common contract carriers of freight should be regulated are as follows:—
>
> 1. Schedules of rates and charges should be published.
> 2. Within those schedules common carriers of freight should accept and carry what is offered to them without discrimination between customers and commodities.
> 3. Operators should be insured against all risks, including third party risks.
> 4. Operators should keep accounts on a prescribed system and render returns to appropriate public authority on a common basis.
> 5. Minimum standards in regard to working conditions, including wages and hours of labor, should be required.
> 6. In the interests of the safety of the public, a standard of fitness should be required of all operators in regard to their vehicles.
> 7. Due regard should be had to the preservation of road surfaces, and, to this end, restrictions should be imposed upon the size and weight of road vehicles in accordance with the type and character of the highway.

Uniform System of Licensing

> "Furthermore, we consider that any joint enquiry that may be set up to examine this question should give serious attention to the institution throughout the Dominion of a uniform system of licensing (in addition to the existing licensing for revenue purposes) of road passenger service vehicles and motor vehicles used for the conveyance of freight, whether operated as common carriers, contract carriers, or used exclusively for the conveyance of the freight of their owners. Under such a system it is suggested that a license should only be granted to common carriers of passengers and freight where it can be proved to the satisfaction of the licensing authority that the service rendered, or proposed to be rendered, is in the public interest.
>
> "As regards the taxation of road motor vehicles, the amount of such taxation, including the tax on gasoline, should reflect a fair proportion of the cost of providing and maintaining the highways. A fair proportion would, in our opinion, be equivalent to two-thirds of the total cost in respect of highways in urban areas, while in the more undeveloped districts the proportion might be increased. As to the distribution over the various classes of vehicles, it is suggested that the scales of taxation should be so adjusted as to fall with greater severity upon the heavy long distance traffic."

This is the seventh of a series of articles dealing with various phases of the report of the Royal Commission on Railways and Transportation in Canada.

TONNAGE INCREASES IN WELLAND CANAL

November Traffic in Sault Canals Lower Than in 1931

A heavy movement of corn down the Welland canal, (102,777 tons compared with 23,912 tons last year) and increases of 35,019 tons for wheat, 53,291 tons for merchandise, 27,318 tons for coke, 26,920 tons of gasoline, 12,658 tons of steel and iron, 10,505 tons of paper and smaller increases of other commodities resulted in a net increase of 131,789 tons for November, 1932, compared with the same month of 1931. The total tonnage for November, 1932, was 1,086,562.

Freight through the Sault Ste. Marie canals during November amounted to 2,877,468 tons as against 3,923,860 tons in October, 1932, and 3,048,615 tons in November, 1931. Flour, wheat, other grains, iron ore and anthracite coal all showed decreases from last year's records. Iron was slightly over one-half the November, 1931, tonnage and only one-tenth of the November, 1930, tonnage. Since the opening of navigation, 20,266,213 tons have passed through the locks, as against 44,321,958 tons for the same period of 1931.

Total traffic in the St. Lawrence canals during November amounted to 751,220 tons which was an increase over November, 1931, of 87,584 tons. Total traffic for the season to Nov. 30 was 6,642,584 tons, as compared with 6,005,224 tons in the same period of 1931.

New England Power Takes Care Maturities

From Our Own Correspondent

MONTREAL.—International Hydro Electric System announces that the $27,500,000 of New England Power Association and North Boston Lighting Properties notes due December 1 were paid at or before maturity. At the same time substantial net reductions have been made since the first of the year in the bank loans of New England Power Association.

No action has been taken by the directors with respect to resumption of dividends on the Class A stock. Under present conditions the directors feel that it is prudent to conserve cash resources pending more definite indications of permanent improvement.

RAILWAY CHIEFS JOIN TOGETHER TO CUT EXPENSES

And as Result, Arbitral Tribunal is Likely To Go

From Our Own Correspondent

OTTAWA. — The announcement at Montreal that the heads of the Canadian Pacific and the Canadian National Railways have set up a joint committee to co-operate in achieving further economies, is understood, at Ottawa, to presage important developments within the next three weeks.

Upon the success or failure of the two roads to get together voluntarily will depend, in no small degree, the fate of the railways legislation now before the Senate committee. President E. W. Beatty, of the C. P. R., in his evidence to the committee, opposed the enactment of the Arbitral Board section of this legislation. While no officials of the National were called it is understood here that they, too, are opposed to this feature of the legislation.

Now Co-operate Fully

The Senate committee-men unquestionably were impressed by Mr. Beatty's evidence and about the only consideration which would prevent the elimination of the Arbitral Board is a fear that, without it, the railway management would not co-operate, and thus fail to relieve the treasury of the full burden of the National Railway deficits. During the examination of Mr. Beatty, this point was referred to many times. Senators, clearly, wanted to believe that the Arbitral Board was unnecessary but feared to take a chance.

The Senate's delay in dealing with the bill was chiefly because it was felt that the railways should be given an opportunity to show what they could do by co-operation. Mr. Beatty said that two months—he was speaking toward the close of November—would prove conclusively whether or not co-operation would work. In order to expedite the efforts of the railways, the Senate put through a resolution strongly urging co-operation, and stood the bill over until February.

Many Subcommittees

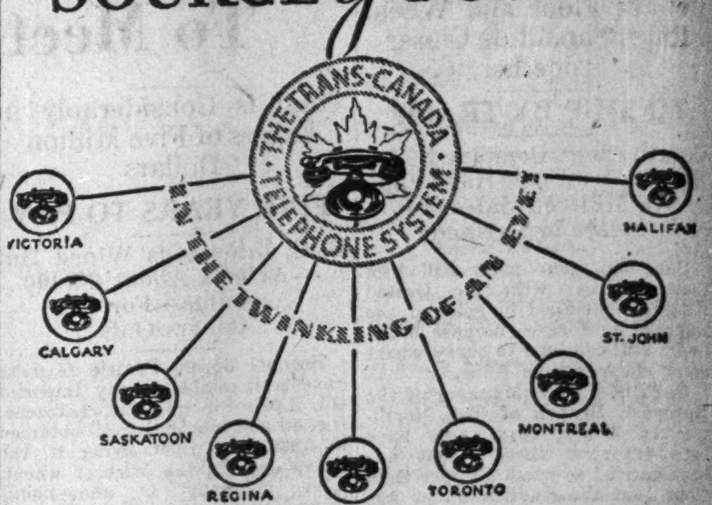
Unofficial but reliable information at Ottawa is to the effect that progress in co-operation between the two managements is proceeding rapidly. A joint committee has been set up, as the public announcement from Montreal set forth. But, more than that, each management has brought forward a long list of suggested economies that can be achieved only by co-operation. It is understood that the joint committee has divided these lists into various classes each one relating to one or other department of railway operation. Special committees have been set up to deal with each class. These committees are composed of the railway heads of the departments concerned.

The committees will report back to the joint committee and in all probability there will be very important achievements in co-operation which will be promptly announced. If such proves to be the case, the argument against the Arbitral Board will be practically irresistible and its deletion from the bill will follow the resumption of Parliament in February.

Nova Scotia Power Board Output Creates New Record

From Our Own Correspondent

MONTREAL.—Nova Scotia Power Commission's power deliveries during November totalled 16,336,027 kilowatt hours—a record for any one month in the history of the commission's operations. This represented a 14.1 per cent increase over November, 1931, and a 2½ per cent increase over October this year, the previous record month. Expectations are that December deliveries will establish another record.



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News of Investment Markets

FEDERAL INCOME HAS FIRST GAIN FOR 30 MONTHS

November Increase Due to Higher Income Tax Returns

YEAR'S REVENUE OFF

Increases in Taxes Have Failed to Bring Gain in Income For Year to Date

From Our Own Correspondent

OTTAWA—For the first time in more than two years there has been an upturn in Federal revenues. The government's income in November was nearly $1,000,000 greater than in the corresponding month of last year.

This is the first ray of sunshine to penetrate the gloom of the Finance department; the first clear and unmistakable indication that revenues possess buoyancy. Perhaps it is not equally clear that business is on the up-grade but it has given hard pressed officials, responsible for the government's income and expenditure, cause for jubilation.

The increase in revenues is probably not a sound business index for the reason that the increase occurred chiefly in the income tax which is payable on 1931 income. But following some 30 months of falling revenue the reversal of the tide, quite unexpectedly, has induced a feeling that the worst is over.

More Income Taxes

Total Federal revenue in November was $21,293,869 against $20,367,494 last year. Customs, excise taxes and duties, and sundry taxes yielded $825,431 less than last year, while the income tax showed a gain of $1,751,807. For the first eight months of the fiscal year the revenue picture is not so good. Despite the increases in taxation, there has been a net loss of income. In fact, that has been the story ever since the depression began. Revenues have been falling dizzily, beginning early in 1930. Increases in taxation, however, were not applied until June, 1931.

Details of the eight month revenues are:

	1931	1932
Customs	$ 73,017,338	$ 49,494,209
Excise taxes	36,100,975	55,382,615
Excise duties ...	34,494,106	28,457,411
Sundry	641,156	617,094
Income tax	52,192,221	56,270,026
Total	$196,445,796	$190,221,355

The net loss in revenue for the eight months is $6,224,441. This is true despite the fact that Hon. E. N. Rhodes added additional taxation last April which he expected to boost revenues by $55,000,000.

Non-tax Revenues Stable

There are, of course, some additional sources of government revenue—what are known as the non-tax revenues. The most important of these is the post office. The total income from these sources remains substantially the same despite outside business conditions. It will exceed $50,000,000 for the full fiscal year.

The important point about this unlooked for buoyancy in revenues is that if it continues for the balance of the year the whole outlook with respect to the 1933 budget will be altered. It cannot be expected that revenue gains in the last four months of the present fiscal year will materially reduce the deficit. But if taxes indicate any real buoyancy, Mr. Rhodes will be relieved of the task of devising taxation adjustments for 1933.

May Form Committee For Devonshire Apts.

Formation of a bondholders' protective committee to represent holders of the 6½ per cent first mortgage serial bonds of Devonshire Apartments Ltd. has been undertaken by Western City Co. Ltd., of Vancouver. Originally offered by S. W. Strauss & Co. to the amount of $450,000, there remains some $350,000 of the issue outstanding on which interest and sinking fund payments are in default. The bonds were to be retired in serial installments from 1932 to 1938 and it is understood that 1932 maturities are in default.

Bondholders have previously been approached to obtain the consent of 75 per cent of the bonds outstanding to an arrangement whereby a portion of the interest would be paid and management and ownership of the hotel would remain unchanged. Opposition to this arrangement is seen in the formation of a protective committee by Western City Co.

Bond Tenders

Jan. 20, Saint Marc de Figuery. $3,000, 6 per cent, 15 year, serial bonds. Anselme Roy, sec. treas.

Canadian Borrowers' New York Obligations Bulk Large In 1933

Total of Payments is $276,827,345 According to Estimate

EXCHANGE ADDED

Dominion, Provinces, Municipalities and Corporations Will Be Affected

Canadian borrowers, including the Federal and Provincial governments, major municipalities and corporations, have obligations to the extent of $276,827,345 in 1933 on which payment can be demanded in New York funds. Of this total $105,166,916 is on account of principal maturing and $171,660,429 is on account of interest. The figures, as compiled by Dominion Securities Corp., are shown in the accompanying table and indicate the volume of payments due in each month during 1933 by each class of borrower.

The summary is of value since it indicates to some extent the demand for New York funds by Canadian borrowers during the forthcoming year which can be expected to affect exchange rates. An indication is also given as to the increased cost of servicing our debt if New York funds continue at a premium in terms of the Canadian dollar. During the past year, the premium on New York funds has averaged over 14 per cent. If the average premium during 1933 is at that rate principal and interest payments will be increased by some $40,000,000. While the course of exchange rates in 1933 cannot be determined in advance, authorities are generally agreed that it is probable that a considerable period must elapse before the Canadian dollar is again back to parity in terms of New York funds.

Payments Are Met

During 1932, principal and interest payments due in New York funds totalled some $270,000,000 and the premium prevailing on New York funds constituted a heavy burden to Canadian borrowers. Despite this burden all of the provinces and municipalities met their legal obligations in full although a number of corporations paid their obligations in Canadian funds only.

Payments due during 1933 are fairly evenly distributed throughout the year with the exception of October when payments will total $80,813,827, since $60,000,000 of the October total is a one-year issue of the Dominion Government there appears to be a possibility that under favorable market conditions this amount could be refunded and the exchange rate would not be affected by the Dominion going into the market for New York funds. This $60,000,000 issue is the only Federal obligation maturing in 1933 for which payment must be made in New York funds although there is a substantial amount of internal payment bonds which will come due.

Ontario is the chief provincial borrower and has $22,864,600 of New York payment bonds coming due in 1933 Of this amount $15,000,000 is on account of a one-year loan secured in November, 1932. Alberta has $5,000,000 of bonds maturing in New York and Manitoba has two issues totalling $4,481,000. Maturities of the other provinces are negligible. The principle issues maturing in 1933 on which payment can be demanded in New York funds are as follows:

Maturing Date	Borrower And Issue
Jan. 15	$800,000 Ontario serial 4½'s.
Jan. 15	$1,004,000 Ontario serial 4½'s.
March 1	$3,441,100 Ontario guaranteed 5's.
April 1	$142,000 B. C. serial 4½'s, 1933-61.
May 1	$2,040,000 Manitoba 4's.
May 1	$65,000 Nova Scotia serial 4¼'s.
May 8	$20,000 New Brunswick serial 5's.
May 15	$2,441,000 Manitoba 4½'s.
May 15	$381,000 Ontario serial 4's.
May 15	$326,000 Ontario serial 4½'s.
June 1	$412,500 Ontario serial 4's.
June 1	2,000,000 Alberta 4's.
June 29	$210,000 B. C. serial 4½'s.
Oct. 1	$60,000,000 Dominion 4's.
Nov. 1	$15,000,000 Ontario 4's.
Nov. 1	$3,000,000 Alberta 5½'s.
Nov. 1	$800,000 Ontario serial 4½'s.
Dec. 1	700,000 Ontario serial 4½'s.

Some 12 of the leading Canadian cities will have bonds maturing to the principal amount of $6,043,916 during the next year while interest payments which may be required to be met in New York funds will total $15,789,314. A survey of all Canadian municipal obligations payable in New York funds is difficult and it is probable that payments which must be made by a number of the smaller cities will bring the total of municipal payments in New York to a figure higher than that shown. While it has not been general for the smaller cities to issue bonds payable in the United States as well as Canada there is a certain amount of such issues that are outstanding.

Canadian corporations must pay interest aggregating $68,234,669 in New York funds but principal maturities are comparatively low at $6,067,500. Here again the total of payments is not readily ascertainable and the figures can be taken as a minimum.

Ottawa Power Earns Dividends

From Our Own Correspondent

MONTREAL. — Though gross revenues of Ottawa Light, Heat and Power Co. have been well maintained during the past year, payment of bond interest in American funds has tended to prevent any improvement in earnings applicable to the preferred and common shares. It is understood, however, that profits have been sufficient to cover all dividends.

In 1931 exchange added over $18,000 to expenses but a full year's interest in American funds will increase this sum in 1932. Bond interest totalled $217,180 last year and after all charges net profit was $329,240. This was equal to $6.62 a share on the common stock after provision for preferred stock requirements. Common dividends are paid at the rate of $6 per annum.

DOM. WOOLLENS BONDHOLDERS ACCEPT PLAN

Agree to Ammendment Reducing Common Received by Half

Bondholders of Dominion Woollens & Worsteds Ltd. agreed on December 19 to a plan of capital reorganization previously announced and it further agreed to an amendment providing that only one-half share of common stock would be accepted per $100 face value of bonds in place of the one share originally provided. Over 60 per cent of the $2,117,000 of 6 per cent first mortgage bonds outstanding were voted in favor of the amended plan. The meeting of bondholders was adjourned until January 25 in order to give bondholders not present at the meeting in person a chance to ratify the action taken. The plan was approved by over 60 per cent of preferred shares and 70 per cent of the common shares.

Present preferred shareholders will receive four shares of common stock for each preferred share held in place of three shares of common originally provided while present common shareholders will receive one share of common for each four shares presently held in place of one share for every three shares held according to the original plan. At the present time there are 15,000 shares of $100 par value 6 per cent preferred stock outstanding which will be exchanged for 60,000 shares of no par value common. There are 60,000 shares of common presently outstanding, holders of which will receive 15,000 shares of new common.

Earnings Better

Earnings of the company are reported to have shown some increase in recent months and have been favorably affected by an early winter. The position of the company is regarded as being much better than has been the case for some years and since bondholders have agreed to a postponement of interest payments due for the next two years it is anticipated that working capital position will be improved.

The interest payments deferred will be paid in 11 annual installments starting December 1, 1937, and interest at the rate of 6 per cent annually will be paid on these deferred payments. Future payments will be made in Canadian funds. The company is also released from sinking fund payments up to June 1, 1936, while it is provided that sinking fund payments will start on June 1, 1937, at the rate of $70,000 annually.

York-Adelaide Garage Under New Management

W. A. Mackenzie & Co. Being Wound Up as Result of Large Deficit — Bondholders to be Called Together to Decide on Future Policy

Bondholders of York Adelaide Realty Co., will be called together at an early date to consider the situation created by the default in payment of interest. A large oil company, which has majority control of the common stock, has taken charge of the garage in view of the death of the late W. A. Mackenzie, whose office looked after management and details of operation.

Gordon Murray has been placed in charge and already has made a number of economies. Income from the building is reported to be sufficient under present conditions to pay operating expense but bondholders will be asked whether or not they are willing to co-operate by doing without interest until revenues recover. The influence of the depression and the number of outside parking blocks down-town have made against revenues being higher.

In view of the fact that W. A. Mackenzie Company's office will be wound up and that the balance sheet as of recent date showed a deficit exceeding $300,000, the management by that concern of York-Adelaide Garage is ended. Apparently conservative and experienced management is the chief hope of the bondholders.

CALGARY WOULD AVOID TAKING EXCHANGE LOSS

May Pay Canadian Funds on Obligations Soon Maturing

Proposal by the city of Calgary to retire $2,346,177 of debentures maturing January 1, in New York, in Canadian funds only has brought protests from the Investment Bankers' Association of Canada and other sources. In view of the high rate of exchange prevailing on New York funds the city has declared its intention to pay in Canadian funds only unless the federal government will provide the gold at par.

Calgary has some $3,412,599 of payments due by January 1, 1933, practically all of which represent expenditures for public service and improvements made as far back as in 1913 when Calgary was going through a real estate and building boom. At present rates of exchange around 14 per cent, it would cost the city some $475,000 over and above the face value of maturing bonds and interest coupons if payment were to be made in New York funds as specified in bonds. With a present mill rate of 52 mills the highest in the city's history, refunding of the bonds in New York funds would call for mill rate of about 60 mills for 1933 unless the loss on exchange could be capitalized.

Revenue of the city in the first 11 months of the year 1932 shows a decrease of $84,000 from figures for the corresponding period in 1931. Property tax collections are up to $3,748,486 from $3,740,074 but sundry revenue collections are down to $422,265 from $506,123. Tax collections in 1932 are higher than those of 1931 but the 1932 tax levy was also higher than that of 1931 and the cash position is not as favorable due to the fact that the budget was based on an estimated increase in revenues.

Action was recently undertaken by taxpayers to bring the matter of payment in New York funds into court. The city council blocked this action by insisting on its statutory right of 30 days notice of legal action against it. Had the case been taken to court the city would have had to defend the payment of its obligations in New York funds. If the city had won its case it would be practically admitting that it was able to pay in New York funds which it might be unable to do.

CANAL TRAFFIC DROPS SHARPLY

Figures End Last Month Reflect Less Activity in Shipping

From Our Own Correspondent

MONTREAL.—Restricted shipping activity on the Great Lakes during the past season of navigation is revealed in figures covering tonnage through the Sault Ste. Marie locks. Total tonnage through both Canadian and American locks from the opening of navigation to November 30 was 20,266,213 tons against 44,321,953 tons in the same period last year.

Reflecting the more rapid movement of grain to seaboard last season together with a larger crop, traffic through the St. Lawrence canals showed a slight increase to the end of November amounting to 6,642.584 tons against 6,005,224 tons in the corresponding period of 1931.

Welland Canal Active

Movement of traffic through the Welland Canal last season to the end of November amounting to 6,642,584 record, exceeding by 959,299 tons, the previous peak established in the full year of 1928. Total traffic from the opening of navigation to November 30 was 8,388,916 tons, an increase of 1,218,984 tons over the same period in 1931. Activity in the Welland Canal reflects completion of the new works which were opened last summer. The canal can now handle the largest freighters on the Great Lakes.

Canal figures have a bearing on the situation surrounding Canada Steamship Lines which benefitted to some extent by the heavier volume of grain carried down the lakes last year. In the early part of the season effects of this were nullified by low freight rates but with formation of Associated Lake Freighters, a shipping pool, in the middle of the season rates were stabilized and increased gradually.

Investment Co. Pays 50 Cents On Preferred

From Our Own Correspondent

MONTREAL.—Investment Foundation, Ltd., investment trust of the management type, is distributing a New Year's present to its preferred shareholders in the form of a payment of 12 cents a share, payable January 16 as well as the regular distribution of 38 cents. The 12 cent disbursement is on account of arrears which now total 5.76 per cent.

The company has outstanding $1,717,750 of 6 per cent preferred stock par value $50. Regular payments were maintained until January, 1931, when disbursements were cut in half and dividends were placed on an annual basis of $1.50 a share. The recent declaration is the first payment to be made on account of arrears.

In the year ended March 31, 1932, net profit was $71,146 compared with $98,715 in the previous year. Earnings on the preferred were equal to $2.07 a share and payments of $1.50 were made.

REFUSE TO REDUCE CALGARY FIRE RATE

New Waterworks System Said Only to Restore Former Conditions

Reduction from the present key fire insurance rate of 55 cents, in force since 1914, was not justified, according to the belief expressed in a letter received Saturday from V. D. Hurst, secretary of the Western Canada Insurance Underwriters' Association by John Hanna, secretary of the Calgary Board of Trade. The board had written to the association asking for reduction when the new Glenmore waterworks system was put into operation because of its belief that fire hazards would be considerably reduced by a better water supply and increased pressure.

The letter stated, however, that the association would make an inspection of and report on the system next summer. It was intimated that under the old system there had been an adequate water supply in all parts of the city, but that in recent years the system had deteriorated to the extent that the association would have been forced to increase the rates if some plan of replacement had not been started. It was also pointed out that the fire department was stronger when the present key rate went into force than it is now.

"We do not think the protection will be any better when the new system is completed than it was when the present key rate was established," said Mr. Hurst. "The new system will replace the wornout gravity system and the present pumping system, take care of increased demands, and put the water supply back where it was several years ago, except that it will be free from some of the troubles which developed in the old system, and the quality of the water will be vastly improved from the standpoint of domestic use."

B. C. INCOME TAX MAY BE INCREASED

Surcharge on Higher Incomes Expected to Augment Revenues

From Our Own Correspondent

VANCOUVER. — Heavier income taxes in the higher brackets is indicated by the provincial government as a result of recent checking-up of the province's financial situation. It is proposed to levy a surcharge on the higher incomes without affecting the taxpayers receiving comparatively small salaries and wages.

The government anticipates a revenue from present taxes totalling about $20,000,000. The regular government services such as road maintenance, education, civil service and so on, cost about $10,000,000. Last year the grants to municipalities totalled about $5,000,000, with $2,500,000 additional for unemployment relief. For debt charges $11,000,000 was required.

Comparison of these figures shows that British Columbia's only alternatives lie in higher taxes or more borrowings, and the government is averse to the latter course. It apparently will not be able to reduce municipal grants as much as it had hoped, due to relentless opposition. A compromise with the municipalities will probably be effected.

Retail Trade in Sorel

Sorel, Que., had 162 retail stores in 1930 with 230 employees, payroll $191,300 and sales of $2,292,700. There were 53 service establishments with $113,900 receipts. The food group had sales of $532,700, apparel and clothing $465,600. Census population 10,320.

LITTLE CHANGE IN OPERATIONS OF FRASER CO'S.

New Catalogue Paper Contract Secured at Madawaska

From Our Own Correspondent

MONTREAL. — Activities of Fraser Companies continue at a relatively low level. Demand for its pulp and paper products from the United States, the company's chief market, is still slow, while low prices for pulp tend to narrow margin of profit on sales in this division.

Operations in the catalogue department mill at Madawaska are reported as satisfactory; a new contract was secured recently which will enable this division to increase output. One of the most important contracts held by Fraser Companies is one with Sears-Roebuck Co. by which the company supplies the latter with its catalogue paper needs.

Reduce Wood Costs

One factor which is expected to reduce production costs in the future is that the company has used up the greater part of its high cost wood and in the future should be able to obtain its supplies at low levels. For manufacture into long lumber next year, a cut of some 10,000,000 feet will be made by Fraser during the winter season which will provide the basis for considerable activity in at least two of the company's saw mills.

New securities of Fraser Companies will be ready within the next two weeks when it may be expected they will be issued in exchange for the old stocks and bonds.

B. C. WAITS LEAD OF FEDERAL GOVT. ON CONVERSION

Reduction in Interest Rates Would Aid All Provinces

From Our Own Correspondent

VANCOUVER.—The possibility of converting the provincial debt of British Columbia in some way at a reduced interest date is being quietly discussed in government circles here, but it is felt that no province can undertake such action unless Ottawa sets the example.

Growing Australian purchases in Canada, referred to recently by Hon. H. H. Stevens, minister of trade and commerce, during his visit to the coast, have occasioned some comment among government officials and business interests.

Conversion of internal and external federal loans in Australia to lower interest rates following the British plan, are given some of the credit for the increase in Australia's buying power, which has lately been a factor in reviving British Columbia's transpacific trade. Premier Tolmie says that if such a plan could be applied in Canada, with any prospect of obtaining the same results as achieved in Australia, it should be thoroughly investigated.

So far as British Columbia is concerned, the conversion of existing bond issues to lower interest rates is less feasible. For many years the province has been securing its money in the United States, with a correspondingly high proportion of foreign bondholders, not interested particularly in the internal affairs of the country.

At the present time, this external borrowing is pressing heavily with large sums having to be added to existing maturities to make up the difference in exchange. In this way British Columbia paid out $330,000 additional last December to retire a $3,000,000 bond issue in New York, while the current maturity this month will cost the province eventually a heavy surcharge on the $4,000,000 to be retired. Out of British Columbia's gross debt of some $154,000,000 about half is held in the United States.

Retail Trade in Joliette

There were 160 retail stores in Joliette, Que., in 1930, with 373 employees, payroll $283,600 and sales of $2,708,400. There were 51 service establishments with receipts of $161,500. The five hotels did a business of $154,750. Census population 10,765.

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Dominion Bridge Co. Secure Western Contract

From Our Own Correspondent

MONTREAL.—Tentative contract given to the Dominion Bridge Co. for the construction of a new span and repairs to the Burrard Bridge over the Second Narrows at Vancouver, involving an outlay of about $1,000,000, has become effective as a result of the issuance of an order-in-council authorizing the Vancouver Harbor Board to accept the transfer of the bridge from the receiver.

The Harbor Board is authorized to proceed with the reconstruction, tentative contract for which had been received by Dominion Bridge. This contract was awarded a few weeks ago by the receiver of the Burrard Inlet Bridge and Tunnel Co., but the Federal Government refused to give its consent to the construction agreement until its legality had been definitely established. The receiver then submitted plans and the tentative contract to the courts which gave their approval at the end of last month.

Cosgrave Export Brewery Company, Limited

Balance Sheet 31st October, 1932

ASSETS:			
Cash on Hand and in Bank		$ 13,704.98	
Accounts Receivable, less Reserve		16,186.51	
Stocks of Beer, Malt, Hops and Supplies		63,859.11	
Stocks of Barrels, Cases, Bottles, Wrappers..		25,141.95	
			$118,892.55
Life Insurance, Cash Value			5,955.40
Investments			1,000.00
Plant and Equipment		408,138.57	
Buildings		250,592.81	
Land		93,900.00	
			747,631.38
Prepaid Expenses			5,509.54
Goodwill, Trade-marks, etc.			282,716.63
			$1,161,705.50
LIABILITIES:			
Accounts and Bills Payable including Income and Excise Taxes to date			26,551.88
Mortgage Payable			31,000.00
Capital Stock, Authorized and Issued........			1,000,000.00
Profit and Loss Account—			
Surplus 31st Oct., 1931		96,895.50	
Operating Profit for Year		25,531.14	
Income from Investments		60.00	
		$122,486.64	
Less—			
Interest on Mortgage and Loans	$ 2,924.26		
Depreciation written off Plant and Equipment......	15,408.76		
		18,333.02	
Surplus, 31st Oct., 1932			104,153.62
			$1,161,705.50

Approved on behalf of the Board,
JAMES F. COSGRAVE,
VICTOR E. GIANELLI,
Directors.

AUDITORS' REPORT TO SHAREHOLDERS

We have examined the accounts of Cosgrave Export Brewery Company, Limited, for the year ending 31st October, 1932, and have obtained all the information and explanations we have required. In our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

WILTON C. EDDIS & SONS,
Chartered Accountants.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1932 $	Net Income 1931 $	Common earnings 1932 $	Common earnings 1931 $	Curr. divid. $	Balance car. fwd. 1932 $	Balance car. fwd. 1931 $	Mkt.	Mkt. times earn.	Yield %
Harding Carpets	Oct. 31	*35,189	*18,310	...	...	...	†38,861	†3,672	...	...	...
Cosgrave Export Brewery	Oct. 31	7,268	43,291	0.07	0.43	...	104,153	96,895	2¼	...	...

*Loss.
†Deficit.

Payments on Canadian Bonds Due in New York Total $276,827,345 in 1933

	January $	February $	March $	April $	May $	June $	July $	August $	September $	October $	November $	December $	Total $
Dominion of Canada:													
Principal	....	....	....	....	....	....	....	....	....	60,000,000	....	....	60,000,000
Interest	....	921,850	2,254,172	3,200,000	2,500,000	....	....	921,850	2,254,172	3,200,000	2,500,000	....	17,752,044
Dominion of Canada Guarantees:													
Principal	....	750,000	....	....	....	....	....	750,000	....	....	....	....	1,500,000
Interest	4,468,697	2,407,500	2,695,000	2,382,630	475,000	2,842,750	4,468,697	2,407,500	2,695,000	2,382,630	475,000	2,842,750	30,543,154
Provincial:													
Principal	1,804,000	....	....	142,000	5,166,000	2,580,000	....	....	....	....	17,800,000	700,000	28,142,000
Interest	3,128,692	537,295	2,806,574	3,690,160	4,961,866	3,382,063	3,128,692	537,295	2,806,574	3,690,160	4,961,866	3,382,063	37,013,300
Province Guarantees:													
Principal	....	....	3,353,500	....	....	....	....	....	....	....	....	60,000	3,413,500
Interest	275,243	374,175	120,587	92,589	233,970	67,410	275,243	374,175	120,587	92,589	233,970	67,410	2,327,948
Municipalities:													
Principal	277,813	107,410	121,000	1,576,000	171,565	658,667	1,074,749	110,000	101,000	898,000	111,406	836,306	6,043,916
Interest	2,191,203	732,930	469,082	1,412,544	1,722,622	1,292,276	2,174,203	754,930	457,082	1,609,544	1,703,622	1,269,276	15,789,314
Corporations:													
Principal	....	....	....	4,020,000	....	587,500	460,000	....	....	1,000,000	....	....	6,067,500
Interest	7,664,597	2,008,073	3,417,617	7,940,904	5,133,231	7,952,769	7,664,597	2,008,073	3,417,904	7,940,904	5,133,231	7,952,769	68,234,669
TOTALS	19,810,245	7,839,233	15,237,532	24,456,827	20,364,254	19,313,435	19,246,181	7,863,823	11,852,319	80,813,827	32,919,095	17,110,574	276,827,345

Compiled by Dominion Securities Corp., the above figures indicate the monthly payments due by Canadian borrowers during 1933 on account of principal and interest which can be demanded in New York funds. This volume of payments is one of the important factors determining exchange rates on New York funds in Canada and Canadian funds in New York.

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MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GT. BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1, E. J. Dodd, Director. Telegraphic address, Atabek, Lesquare, London.

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TORONTO, DECEMBER 24, 1932

SHOULD NIP IN BUD THIS COLOSSAL WASTE

THE supply of electric power for industries, commercial purposes, and the home is a natural monopoly. In any community where electric lines are duplicated and two or more institutions are offering a supply of current to the consumer, there is, prima facie, unnecessary and wasteful competition for which the public pays, either in its taxes, in the return from its investments, or in its power and light rates.

There are several communities in Canada where such duplication exists. One is Winnipeg where the civic hydro system carries on a remorseless fight with the Winnipeg Electric Co. impoverishing both taxpayers and investors although providing consumers with current at less than actual or reasonable cost. In Ottawa, the Ontario Hydro-Electric Power Commission competes with the Ottawa Electric Co. with no net benefit to the community. Until recently, this situation existed in and around the City of Hamilton, but the competition was finally ended by the purchase of the Dominion Power and Transmission Co. by the Ontario Hydro-Electric Power Commission.

The Duff report on railways and transportation has made clear how costly and extravagant duplication of public utility services bears upon the country at large.

Whenever there is evidence that such duplication is developing, public authority should take steps to nip it in the bud and not wait until millions of dollars of public or private funds have been wasted.

Such a situation is developing in Northern Ontario where the Ontario Hydro-Electric Power Commission, desperate to secure markets for the power from the Abitibi Canyon hydro-electric development, is now entering upon a programme of duplicating the transmission lines of Canada Northern Power Corp. throughout the north country.

The ultimate result of such competition can be foreseen. Eventually many millions of dollars will have been invested in unnecessary parallel lines, sub stations, local distribution services, etc., and after a few years of senseless competition, it will be found necessary to bring both organizations together either under public or private ownership.

Now is the time to check the extravagant outlay of public funds on Northern Ontario competition. The Canada Northern Power Corp. is well entrenched in Northern Ontario and has a distribution system in which has been invested probably $30,000,000. The Province of Ontario is faced with an immediate investment of $23,000,000 which will probably be at least twice that before a market can have been found for all of the Abitibi Canyon power.

There are two reasonable courses open. One would be for the Province of Ontario to stay out of the retail distribution of power or light in the north country, to enter into a contract with the Canada Northern Power Co. to distribute power from the Abitibi Canyon development as the market grows, and thus to obtain all the benefits of that growing market without plunging a huge total of taxpayers' funds in a desperate gamble for markets.

The other reasonable course would be for the province to buy the Canada Northern Power system in the Province of Ontario at a reasonable figure to be arrived at by negotiation or arbitration and to use this existing system as an outlet for the power the province has on its hands from the Abitibi Canyon project. Extension of Ontario's already huge investment in power enterprises in this manner is to be deplored, but it would not cost more to purchase the Canada Northern Power plant than to duplicate it unnecessarily.

It is not merely a problem of protecting the capital invested by thrifty people who own the bonds and shares of the private power company. This is important, particularly since Ontario is so boastful of its fair treatment of the private capital that it has, during several decades, welcomed into the province for the development of natural resources. But equally important is the interest and need of the taxpayers who are entitled to the assurance that their money will not be wasted for purely political purposes.

Within ten years, it is inevitable that the two systems — the existing one and the one that the Ontario government plans to build —would have to be merged in any event but it would be more costly to merge them later than to do it at the present time.

The fair and proper thing would have been for Ontario to have stayed out of the north country entirely but having committed itself to such a huge expenditure in the North, it is impossible to retrace this regrettable step. That, however, does not prevent a reasonable compromise being effected before further millions are thrown away. Under the dictatorial powers conferred by statute upon the Ontario Hydro-Electric it would not be difficult to acquire the Canada Northern Power plant. The Hydro has all the powers of expropriation that are ordinarily vested directly in the crown, and whether for better or for worse, Ontario can force such a merger through without even an act of the provincial legislature, and even without the consent of the private company.

The reputations of Premier Henry and Hydro Commissioners Cooke, Meighen and Maguire are at stake and it is their duty to stop this potential waste at once.

PLAYING SQUARE WITH CIVIL SERVANTS

WHILE the efforts of the Bennett government to achieve a measure of civil service reform merit the support of the business community, there is one aspect of Ottawa's policy, in this regard, that seems to be thoroughly unsound and which, if persisted in, must seriously impair the spirit and loyalty of the service.

The measures that have been taken by the government in dealing with the civil service were outlined in The Financial Post recently. They consist of:

1. A ten per cent cut in salaries.
2. The abolition of all vacant permanent positions as at July 30, 1932.
3. A provision that all permanent positions falling vacant in the future shall automatically be abolished, unless a new appointment is essential to prevent inefficiency in the public service.
4. Suspension of statutory increases in salary.

In dealing with this policy, The Post stated that statutory increases were to be suspended during the new fiscal year, beginning April 1, 1933. This statement, while made in anticipation of an official announcement, is no longer questioned at Ottawa. During the past week the various civil service organizations have been informed that the suspension, which has been in effect since the beginning of the present fiscal year, will be carried over into the new year.

It is on this aspect of the policy that the wisdom of the government's course seems more than doubtful. To order a horizontal cut in salaries seems to the Post to be a proper and a fair method of obtaining economy in times when the government's revenues are not nearly sufficient to meet expenditures. The horizontal cut is fair and does not ignore the principle that a man is entitled to be paid according to his worth. But when statutory increases are denied an element of unfairness, difficult to justify, is brought into the picture.

Take the case—and it could be applied to scores of civil servants —of a man who by reason of study and application has equipped himself for more remunerative work. He receives an appointment at a low rate of salary but with the statutory pledge that his salary will be increased from year to year, until he reaches the maximum allowed for his position. This statutory increase is a part of the contract between the employer and the employee, a vital consideration in the entrance of many young men into the civil service.

Under the present policy, many of these men are not only cut ten per cent but are denied their statutory increases. Quite obviously the burden of economy falls more heavily upon them than upon the civil servants who are not entitled to increases, and whose pay is cut but ten per cent.

The fair thing for the government to do is to allow the statutory increases to remain in effect, to pay civil servants according to their worth. Having done so, it is entirely justifiable upon grounds of economy to make a ten, or even a 20 per cent horizontal reduction in salaries.

CUTTING GORDIAN KNOT OF DEBT

COINCIDENT with wheat dropping to lower levels than for four centuries, Imperial Oil has announced that it will accept payment from farmer customers in Western Canada for debts contracted in 1929 and 1930 at a rate that makes allowance for the changed value of wheat. Moreover the company forgives back and future interest to November 1, 1933, and does not ask for a dollar before this latter date. Then the debts are to be spread over five years.

The extraordinary and interesting thing is that this company has decided that it is a matter of good business for customers, for its shareholders and for its employees to give the Western farmer customer a "break" so far as debt payment is concerned. It is not charity, not benevolence; it is that much rarer thing, a far-sighted recognition of the fact that the company's future success in Western Canada cannot in the long run be separated from the continuing welfare of its customers. The customers engage to buy their gasoline and other oil products during this period from Imperial Oil, but the very insistence on this point of company advantage is tantamount to a declaration of the company's faith in the ultimate restoration of purchasing power of Western farmers.

The company in effect says to each customer:

> "We will not press you to pay us now. We know you cannot do so without great sacrifice, but we will forget the interest and spread the payments over five years so that every annual payment is very light. We will let you pay on a basis which is practically equivalent to letting you pay in wheat rather than in dollars of changing value. We gave you credit in 1929 and 1930 when wheat had an average value of 70 cents a bushel. Well, if it has an average value of 50 cents a bushel on October 1, 1933, you can pay your first installment or your whole debt, as you prefer, with five-sevenths of the money. If it goes up to $1 a bushel later, or to any price over 70 cents, you will pay no more than your just debt as contracted, and the installment basis will be still there to make it easier for you. But we also believe that oil products are going to be of increasing rather than declining value to farmers. You can save money and time by using tractors. We play the game with you; you play the game with us."

Imperial Oil is not alone in its effort to solve the problem of Western debts. Many Canadian companies, including farm implement companies, trust and loan and insurance companies, have given concentrated attention to plans for debt adjustment. It has been increasingly felt that the respective claims of governments for taxes, lenders on mortgages and sellers of equipment and supplies have to be placed on a basis that recognizes the present very great difficulties of farmers. The greatest of these difficulties are caused by the decline in the value of wheat. Some farm implement companies offered last year to recognize that decline in accepting payments but this is the first time that the idea of extinguishing a debt by creating a new debt on a smaller scale at lower rates of interest over a period of years has been applied. To many an honest farmer, who was always able to meet his obligations promptly before 1929 and 1930, this will be a welcome offer.

Imperial Oil has twice within recent months adopted policies which recognize the stake which every large company doing a national or world business has in community and world welfare. To spread employment it instituted the five-day week, a policy which entails a sacrifice of half a day's work and half a day's pay every week by every employee of the company except those getting less than $100 monthly. Now, it agrees to sacrifice part of what is its legal due for reasons here given and for the following reason of general interest, thus stated in introducing its announcement:

> "Today burdens of debt are disturbing nations and individuals and causing fear to weigh heavily upon all people. Until fear is overcome and employment increased, thereby strengthening prices, difficulties will continue to prevail."

PLENTY OF MOVIES FROM BRITAIN

THE worthy citizens who have been complaining that there were not enough British movies in Canada may be cheered to know that about ten per cent of the gross rentals of feature films in Canada this year will go to British producers. Considering the comparative production capacity of British and American movies this is a notable record to have reached after starting practically from scratch a couple of years ago.

As it is seldom that more than one print of a film is brought to Canada, additional prints being made here to avoid duty, the customs figures tell little about the comparative popularity of American and British films. But they reveal the trend, which is important. These figures are therefore valuable:

Imports of Movie Films
In 1,000 Feet

Six mos. Apr. to Sept.	U.S.	U.K.
1929	7,910	357
1930	8,149	392
1931	4,642	865
1932	1,746	456

The Financial Post has always contended that the Canadian public would demand and patronize British movies when the British producers turned out productions worth going to see. They have done so during the past year and as a result British movies are no longer a novelty in Canada.

The most notable advance in regard to British movies in the past year is that the exhibitors and the public have lost most of their "British versus American" consciousness. It no longer either condemns nor commends a picture to label it a British production. The public is coming to know such British stars as Jack Hulbert, Owen Nares and Ralph Lynn as favorite actors rather than just as British actors. They do not stop to consider where a picture in which such stars appear was made. They go to see it as good entertainment and not in a burst of Imperial patriotism. People can not be pushed into a theatre in order to support the Buy British idea. They search out the best entertainment. As the idea that going to a British movie is a patriotic action has dwindled the prejudice against British movies has also dwindled. It is best thus.

EDITORIAL NOTES

A League of Nations committee reports "the work accomplished during the first part of 1932 has not amounted to much." This is the most candid committee report on record.

* * *

Economic conditions in Canada look pretty good to American newspapers. Page Canada's 650,000 unemployed.

POST-scripts

AS AN indication of the human interest to be found even in reports of annual meetings, we note the following in that of the Imperial Bank of Canada:

The president (Frank A. Rolph): "I move the adoption of the report and will call upon Mr. R. S. Waldie to second it. I move that the report which has been read be adopted, printed and circulated among the shareholders."

Mr. Waldie: "I have very much pleasure, sir, in seconding the motion."

The president: "He told me he would do it, and he is always a man of his word."

THE theory that taxes may be evaded is regularly upset by the income tax division of the Department of National Revenue, says the monthly bulletin of that office.

On the decease of a person, the executors of the estate are required under the Income War Tax Act to obtain a clearance certificate from the department before distributing any assets of the estate, otherwise the executors will be personally liable for any unpaid taxes that might have been due by the deceased. Inspectors of income tax, therefore, make a practice of obtaining copies of the inventory of the estate as filed for probate purposes. When the inventory is received it is carefully inspected and checked with the income tax returns filed by the deceased during his or her lifetime.

Recently two such cases came before an inspector for attention and it appeared that the deceased, during his lifetime, had been in receipt of certain income which had not been previously disclosed. In one case, additional revenue was obtained of over $2,000 and in the other case, additional revenue was obtained of over $500.

A tax matter that should have been dealt with by the deceased during his life is an unpleasant duty to have devolve upon executors.

THERE is an old saw that a cat may look at a king. That may be so. But very few cats aspire to become members of parliament.

Yet this is precisely what has occurred at Ottawa. A tom cat, known as "Alex"—mottled grey white with cheery blue eyes—has taken over the Parliament Buildings as his official reidence, something hitherto unknown in Canadian political history.

One could understand a cat of gentle lineage aspiring to a "place" on Parliament Hill, but "Alex" could never qualify for such a post. His ancestry is nonedescript, his birthplace probably in the more squalid areas of lower town.

Yet, today, "Alex" is a personage on Parliament Hill, arouses quite as much interest as the statesmen who occupy the ministerial suites, the members who enact our laws. Indeed, he achieved the unique distinction—so far as the feline world is concerned—of having a place of distinction at the plenary sessions of the Imperial Economic Conference. While hundreds of people stood in line at gallery doors, and while thousands were unable to obtain admission, "Alex" surveyed the scene from hard by Mr. Speaker's throne.

Upon occasion, he has evaded the guards and got into the sacred precincts of the Commons while the house was in session. It must be highbrow. He does not attend great functions to hear the speeches, but to chase mice. For some curious reason, he has never displayed the slightest interest in the Senate, has never been known even to prick up his ears at sight of the Red Chamber.

Alex was born—the date is only approximate— last June, and made the Parliament Buildings his home when the merest kitten. He was not brought into the buildings; he came of his own accord. He sleeps in the engine room, close to the big heating pipes. Before his advent there were many rats in the engine room. Now the rats are gone.

He is the darling of all habitues of Parliament Hill. He breakfasts with the engineers, who bring their food with them. He lunches with the House of Commons police officers. When parliament is sitting he has a bowl of milk at night in the cafeteria, and occasionally picks up meat scraps in the kitchen of the parliamentary restaurant.

"Alex's" home is a five story building, with two large deliberative chambers, numerous committee rooms, several suites including a banquet hall, and 400 offices.

Twice a day he slowly descends the marble stairs to the main entrance where he waits until someone opens the large brass doors. He enters after the same fashion.

When parliament is sitting "Alex" sometimes uses the Prime Minister's private entrance, but usually he leaves and enters the buildings by the tower doors.

A Western Merchant Speaks His Mind

Editor, The Financial Post:

We have been subscribers of your paper for the past few years and think it is a wonderful paper. Of course, there are some times when we do not agree with you, but that is to be expected. We thought it might be of benefit to you to get the viewpoint of the business men of the west. We are situated in a small divisional point on one of the railways, but depend mostly on the farming population.

We have just been reading an editorial in The Farm and Ranch Review of Calgary. Their editorial page is always worth reading. They show that the purchasing power of the farmer is down 66 per cent from pre-war and the cost of railway wages is up 250 per cent. Why do all these commissions and papers sidetrack the wage question? The cashier at the station here is getting as much as the principal of our 9 roomed school, and twice as much as a teller in the bank who handles three or four times as much money. Conductors, engineers, etc., running out of here are getting far more than the professional men in town, and very few of the former have any education to speak of. We believe there should be more elasticity in the railroad wage schedule. They are surely the aristocrats of labor at the present time. Why do the railroad managements not bring it to a showdown? We believe 90 per cent of the taxpayers would be behind it.

Freight Rates Too High

We firmly believe that by a drastic change in the wage structure and a big lowering of custom tariffs the railroads would soon pay their way. Freight rates are too high at present in the west for we are such long distances apart. They have to come down.

There is growing up in this part of the country a strong feeling that if duties do not come down to enable the farmers to buy cheaper, that a new country will be formed west of the Great Lakes. Our natural market and source of supplies is south and we now have a port at Churchill through which we could get all our European goods if we had a lower rate of duty.

We are very pleased to see you fighting the St. Lawrence Waterway. No one in this country outside of Winnipeg wants it. If they do get it the users should certainly pay for it, and also tolls on the other canals.

We have followed with interest your articles on the cost of education. People do not get value for money spent.

You probably know what the farmers are up against in this country. At the present time it takes a good hog to bring the farmer $5, and an average steer $20. Oats are worth 6 cents, and No. 1 wheat 26 cents. When you take off the actual cash outlay for twine and threshing, and feeding the threshers, you can see what the farmer is up against. When they buy they buy in just about the highest protected market in the world. Overalls which we used to sell pre-war for $1.25, we now have to sell for $1.85.

We handle English print here. The same quality which we now have to sell close at 25 cents a yard, we sold in 1914 at 15 cents a yard. And the peculiar thing is the people will buy this English print, which is about 30 inches wide, in preference to a Canadian print 36 inches wide at the same price. So you see protection does not do our mills much good. It penalizes the consumer for nothing.

Pay U. S. Debts at Par

The reason we are bringing these things to your attention is because we know your paper carries great weight in Canada. We can tell by your attitude that you are fairly protectionist. We might say that our sympathies are Conservative, and in fact we voted for Mr. Bennett. But times have changed. We do not think it fair to have so much riding on the farmers back. In fact it is ruining the country. We live in one of the best mixed farming districts in the west, but the arrears of municipal taxes here are something terrible. They were only able to pay 60 per cent of their school levy last year and it will likely be worse this year.

While we are not big financiers we are Canadians. What we think should be done with our debts due in the States is to pay them at par in our money, and no more. Let them deposit the money in our banks if necessary for a few years until it reaches par again. We need not take the clothes off our back to pay them this premium. There is enough money in Canada to finance all we need, or at least all that is good for us.

—Western Merchant.

Other People's Views

Railway Team-work

Vancouver Province. — Toronto Saturday Night does not like the Senate's Railway Bill. "If the people of Canada think they can have a good horse race," it says, "by instructing the starter to see that the horses not only start even but stay even all the way through the race, they are wrong. They might just as well turn the two horses into a team and have done with it."

But where did Saturday Night get the idea that Canada wants her railways to go horse-racing? That is what they have been doing, and that is largely what has caused the trouble. Team-work is exactly what we want. Some would have the Canadian Pacific absorb the Canadian National or vice versa. But that would be tantamount to having one horse swallow the other. We don't want that either. We should then have one horse instead of our team.

Looking Back on Prosperity

Edmonton Journal — As one looks back now, it is all too plain that farmers and industrialists and Canadians generally should have paid close heed to the question of markets. They must realize that the country's economic activities were spread out too thinly and that it took too much of a risk in counting on being able to go on increasing its exports to nations over the policies of which it could exercise little if any control or even influence. The consequence is that production and unemployment within our borders have been affected much more by what has happened elsewhere than would have been the case if our progress had been somewhat slower and had borne a closer relation to our domestic requirements and the subsequent foreign demand.

It is well to bear all this in mind at the present moment. Recognition of our own mistakes must make us more humble and more patient under existing difficulties to the creation of which we, as a people, have made a substantial contribution. It may also help in preventing the repetition of these and similar errors when the solution for our immediate problems has been found and the march of Canadian progress has been definitely resumed.

1920 Sack of Sugar

Canadian Grocer.—A window display that caused a great deal of comment among travelling salesmen and others in western Ontario was a recent one put in by T. Hockin Co., of Dutton, Ont. They showed a bag of sugar priced at $17.75 which was the retail price in 1920. Opposite it was shown what the $17.75 would buy today—the same bag of sugar, 3 pkgs. shredded wheat, 2 corn flakes, 1 lb. of tea, 2 lbs. of coffee, 3 cans salmon, 1 jar of pickles, 1 jar of olives, 3 cans of tomatoes, 2 cans corn, 1 pkg. meal, 1 pkg. cake flour. 100 lbs. flour, 2 pkgs. pep, 10 bars soap, 3 cans of cleaner, 1 can baking powder, 1 jar jam, 1 box macaroni, 2 cans pumpkin, 4 bottles ketchup, 3 pkgs. corn starch, 2 lbs. cheese, 2 pkgs. cornmeal, 2 cans spaghetti.

Russia Modifies Plan

Regina Leader-Post—The Soviet authorities in Russia appear to have made another concession to private trading. They have decreed that all collective and individual peasants in Moscow province and the Tartar republic may immediately sell their surplus grain in private markets. These are the only districts that have supplied all the Government's grain "collections," that is, the part of the crop the state requires peasants to furnish at fixed prices. Collections on the whole have been notoriously backward in the present year, and there have been some predictions that certain concessions to the peasantry would be necessary to speed it up.

It is again indicated that Russia changes her methods to meet conditions. The "New Economic Policy" adopted by the Soviet authorities some years ago represented important concessions to the principle of capitalism, and here we find further departure from a rigid Socialistic conception. It is suggested that for the present at least—and the Soviet experiment is more than 15 years old—Russia has not been as all-wise as many persons tried to have the world believe.

Significant Figure-Facts

Addressograph-Multigraph News—Although labor saving machinery is sometimes looked upon as contributing to unemployment figures of the United States Census Bureau proved otherwise.

In 1900 approximately 383 out of every 1,000 were gainfully employed, while in 1930—the total had increased to 398.

In a recent issue of Colliers Weekly, John T. Flynn, operating from 1930 census figures said: "The automobile put 4,400,000 people to work" and automatic machinery made the low priced automobile possible.

John H. Van Deventer, industrial consultant for Iron Age Magazine, considers designing new products, selling and servicing as overhead. In 1910 these activities represented 57 per ecnt of all employment, in 1930 the number so employed had increased to 87 per cent.

If, as according to census figures, 398 out of 1,000 were gainfully employed, the deduction must be made that the remaining 602 persons must be dependent upon the earnings of the 398. That being true, the automobile industry is now supporting directly and indirectly over 11,000,000 persons or nearly one tenth of our population. And labor saving machinery made this possible.

"Stop Me If You Have Heard This One"

A renowned public speaker tells this story of himself. After he had lectured to the members of a literary society he was presented a substantial cheque by the secretary. He refused it, and requested that it be used for some charitable purpose. Then the secretary said:

"May we use it for our own special fund?"

"Yes, indeed," said the well-known speaker, "what is your fund for?"

To which the secretary answered:

"To aid us in getting better speakers next year."

New Books

"The Valuation of Real Estate"

The actual value of any piece of real estate property is something that cannot easily be determined. Investors have had, many times, the unpleasant experience of purchasing the bonds of property sold to them on the strength of a supposedly expert valuation only to find in a few years, after interest has been passed on their bonds, that the actual sales value of the property was only a fraction of the valuation made to them in the offering circular. All good citizens are familiar with the very important discrepancies between the prices at which different properties are sold and the assessments given to them by city tax collectors. The difficulty of fixing value for real estate is also brought home during periods of real estate booms and periods when real estate is moving very slowly. More than one speculator has bought property at $10,000 or $100,000 only to find it dead on his hands when he offers it at $5,000 or $50,000 a few years later.

Valuation of real estate is a science in which engineering methods must be combined with the very best judgment if mere guess work is to be turned into fairly accurate approximations.

In his new book, "The Valuation of Real Estate," Frederick M. Babcock sets down the fundamental principles that must govern any reasonable basis of real estate valuations. While indicating the chief theories that are the basis of appraisal procedure, he undertakes also to establish, with as great a degree of definitness as possible, the actual principles and practices involved.

The volume is one of some 600 pages and will undoubtedly take its place as a standard text book and authority upon the subject of real estate valuations.

"The Valuation of Real Estate is published by the McGraw Hill Company, 330 West 42nd Street, New York, and sells at $5.00.

As Others See Us

The Temper of the Farmers

London Free Press.—There is no doubt that the last three years have been extremely difficult and disheartening ones for the farmers of Canada and the United States. Falling commodity prices and a decreased urban purchasing power have hit them hard. William Allen White, well-known United States writer, says in the Saturday Evening Post that the American farmer has lost his sense of humor, that he is grim and sad and sore, and that grave danger lies ahead.

The Financial Post, commenting on this observation, says: "There are many parasitical associations and politicians, living off the farmer and professing to speak for him, who tell us that the Canadian farmer is in revolt; that prosperity must be found for him by legislation if we are to avoid social upheaval. The best way to assure oneself of the falsity of this allegation is to talk to half a hundred farmers anywhere in Canada. They are and will remain a less radical lot than their self-appointed leaders state them to be."

We believe The Financial Post has summed up the situation neatly and accurately. Farmers are certainly disappointed at the present time, but they realize that they are not alone in their predicament. They know that the city worker is having his troubles, too. They know that urban and rural prosperity is linked, that the two classes are inter-dependent. The self-appointed spokesmen for both farmers and labor make a tremendous amount of noise as they go up and down the country speaking from the hustings, but they have not yet shaken the sound commonsense of the people as a whole. Look at what happened in the United States elections, when urban and rural constituencies both demonstrated their innate conservatism. Observe that while in Canada agitators everywhere are active and noisy, when the people go to mark their ballots they give them short shrift. It seems that the agitators are getting the cheers and their opponents are getting the votes.

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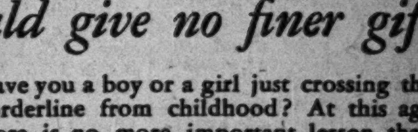

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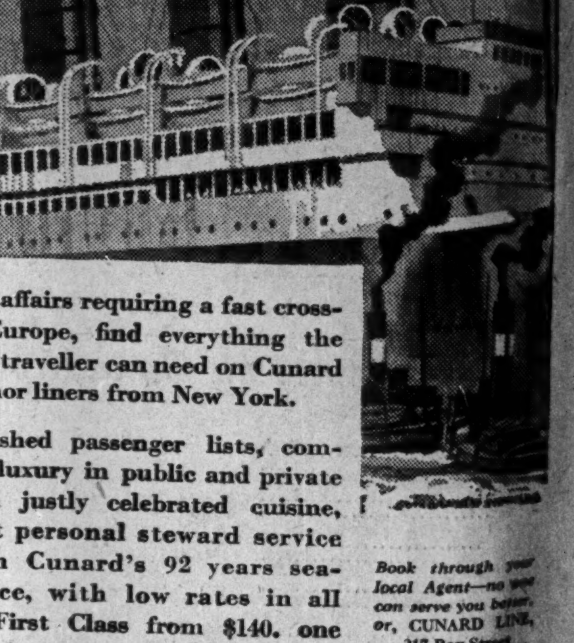

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FROM NEW YORK • BOSTON • SAINT JOHN • HALIFAX

Business Conditions in Canada

The Week in Business

Christmas Trade Falls 20 p.c. Below 1932

Lower Wheat Prices Deter Business in Canada

Price Level Remains Chief Factor in Trend

RETAILERS note that Christmas buying developed slowly and that dollar volume of purchases was about 20 per cent below that of 1931. Useful articles were more in demand by seasonal buyers than in previous years. This was noted in the jewellery and silverware trade where demand was largely for the cheaper grades of merchandise.

Seasonal demand for all types of retail goods has been satisfactory due to colder weather. While actual trade in December has been running well below last year, it is not as low in proportion as in preceding months. Thus the current increase in retail business would appear to be more than seasonal.

Despite the commencement of production of new lines of automobiles and the return of many workers in this industry to employment, factory employment in Canada is showing a slight increase. This is largely due to seasonal influences, goods for the Christmas trade having passed through manufacturers' hands some time ago. The lack of an upturn in the steel industry has been disappointing.

* * *

LOWER prices for wheat have been the chief concern of Canadian business men in the last week. The price of No. 1 Northern touched 38 cents a bushel on Dec. 16, and has only recovered to slightly above the 40 cent level. While a large proportion of the western crop has already been marketed, this latest decline will not improve the position of late sellers and those who have been holding grain for future disposal. The low price of wheat has been attributed to the commencement of sales of southern hemisphere crops, but the situation is only slightly better in other commodities.

* * *

THE low levels of commodity prices are seen by the Cleveland Trust Co. as the crux of the present depression:

"The great fundamental problem of this troubled period is . . . the problem that has been common to nearly all great depressions. It is that of depressed and dislocated price levels, which paralyze business. The fact that prices are very low, compared with their levels of a few years ago, means that the weight of debts has been greatly increased . . .

"Inflation might lift price levels, but it could not restore price relationships. The chief reason is that since this depression began the warehouse stocks of food stuffs and raw materials . . . in the world have greatly increased, while those of manufactured products have not. There are nine staple commodities that constitute a large part of the bulk and value of international trade, and largely control international commodity price levels. They are coffee, cotton, copper, rubber, silk, sugar, tea, tin and wheat. The warehouse stocks of those staples in the world are now twice as great as they were just before the depression began, and their average prices are one third of what they were then . . .

"These goods are cheap because the warehouses of the world hold abnormally large quantities of them. No correspondingly excessive volumes of manufactured goods exist. Making money cheap would not restore the old exchange relationships between raw materials and manufactured products because it would not re-establish the purchasing power of the farmers and miners and lumbermen. In all probability monetary inflation would aggravate rather than mitigate the difficulties of free interchange of goods and services.

"The other alternative course in dealing with the economic difficulties resulting from serious and irregular price declines is to attempt to facilitate and expediate the adjustments necessary for a resumption of normal business at lower prices. Such adjustments involve at best a long, grinding process . . . They might be effected by the temporary lifting of tariffs and other trade barriers. They might be done by barter . . . Perhaps the war debts might be used to facilitate such bargaining."

Ship Turkeys to England

The opening weeks of the present season at the Port of Saint John are witnessing a large movement of turkeys from the Prairie Provinces to England. The steamers Montcalm and Beaverford, of the Canadian Pacific line took between them 17 carloads of these birds to compete, at Christmas time, with the well established roast beef and Yorkshire pudding.

Commodity Prices

Commodity Prices at Wholesale‡

(N. Y. unless otherwise stated)

	Week ending Dec. 16	Previous week	Same week last yr.
Cattle (cwt.) (Toronto)	$4.50	$4.40	$6.50
Copper, lb.	.05	.0525	.0725
Cotton, lb.	.06	.0590	.0635
Rubber, lb.	.0322	.0325	.0471
Silk, lb.	1.65	1.62½	1.95
Sugar, raw, lb.	.0282	.0290	.0310
Wheat (Man.) bu.	.40⅛	.44½	.58¾
Hides, lb.	.05	.06	.07½
Coffee, lb.	.08½	.08¼	.07

Weekly Indices *

N.Y. Annalist	86.1	86.9	97.2
Fisher's	....	58.7	†72.6
N.Y. Journal of Comm.	....	57.4	68.5
Crumps (Brit.)	....	62.5	†64.9

*N.Y. Annalist base, 1913, others 1926.
†Average 1931.

Monthly Indices

	Latest	Prev. Month	Last Year
Canada (D.B.S.) w'sale (Nov.)	64.8	65.0	70.7
Retail (Nov.)	80.4	80.4	86.6
U.S. Labor (Oct.)	64.4	65.3	70.3
Gt. Brit. (Nov.)	68.2	68.2	71.8

‡Basis of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price, Toronto; copper—electrolytic, New York; cotton—middling upland, New York; rubber—smoked sheets, spot closing, New York; silk—Japanese, 13-15, New York; sugar—96 degree centrifugal c/f. New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

RESIDENCE RENTS DROP IN OCTOBER 4% BELOW MAY

Only 4 Cities Reported at or Above 1928 Rent Level

Residential rentals, continuing the downward trend which was first in evidence in October, 1931, declined from 93.9 in May of this year to 90.0 in October, a drop of nearly four per cent, as measured by the Dominion Bureau of Statistics index number.

Only four of the 51 leading cities of the Dominion show residential rents at or above the October, 1928, level of 100, the base of the index numbers. Halifax, at 105.5 is the highest in the list, followed by Amherst, N.S., at 102.9, Brockville, Ont., at 102.7 and Charlottetown, P.E.I., at 100.0. The lowest index number of the 51 is that for Calgary of 74.6, which stood at 81.4 in May.

Only Five Unchanged

Of the 51 cities recorded, 46 have lower index numbers in October than in May, and five are unchanged. The five that do not show declines are Nanaimo, North Bay, Charlottetown, Bathurst and Brockville.

Rentals by cities throughout the different sections of Canada showed a more or less even decline, ranging from 0.1 per cent in Amherst to 10.0 per cent for Sydney. The decline from May to October for the Maritimes was, on the whole, about the same as for other parts of the Dominion, but as rentals in this section had hitherto been firmer, the indexes are not so low as in most other sections. Apparently the severest cuts in rentals have been made in the smaller eastern cities dependent largely upon a few key industries and in western cities acting as distributing points for agricultural communities.

Declines For Types

In the period between May, 1932, and Oct., 1932, declines for Canada in the various types of middle grade dwellings were as follows: Houses, 4.6 per cent; duplexes, 3.8 per cent; flats, 4.5 per cent; and apartments, 4.3 per cent. Rentals paid for middle grade dwellings averaged 4.5 per cent lower, while those for workmen showed a 4.0 per cent decline, the first time since October, 1929, that middle grade dwellings registered the greater decrease.

The decline in living costs as a whole from May, 1932, to October, 1932, was shown by the bureau's index as 1.7 per cent, or 2.2 per cent less than that for rentals. Decreases for the various group indexes other than rentals were: Fuel, from 91.0 to 90.7, or 0.3 per cent; clothing, from 74.5 to 70.7,, or 5.1 per cent; and sundries, from 97.1 to 96.6, or 0.5 per cent. Food was the only group to indicate an advance, the index rising from 62.9 in May to 63.6 for October, a change of 1.1 per cent.

Business Briefs

Pound sterling average value, fixed by the Department of National Revenue for special duty purposes, is $3.78, effective for entries from Dec. 16 to 31, inclusive.

Immigration from the United States into Canada in October amounted to 181 persons against emigrations of 654 persons. From July 1 to Oct. 31, immigration totalled 769 persons against emigration of 3,016.

Car loadings for the week ended December 10 decreased from 42,267 cars for the previous week to 38,004 cars. This depressed the index number to 56.86, a drop of 2.78 points from the previous week and new low record for the year.

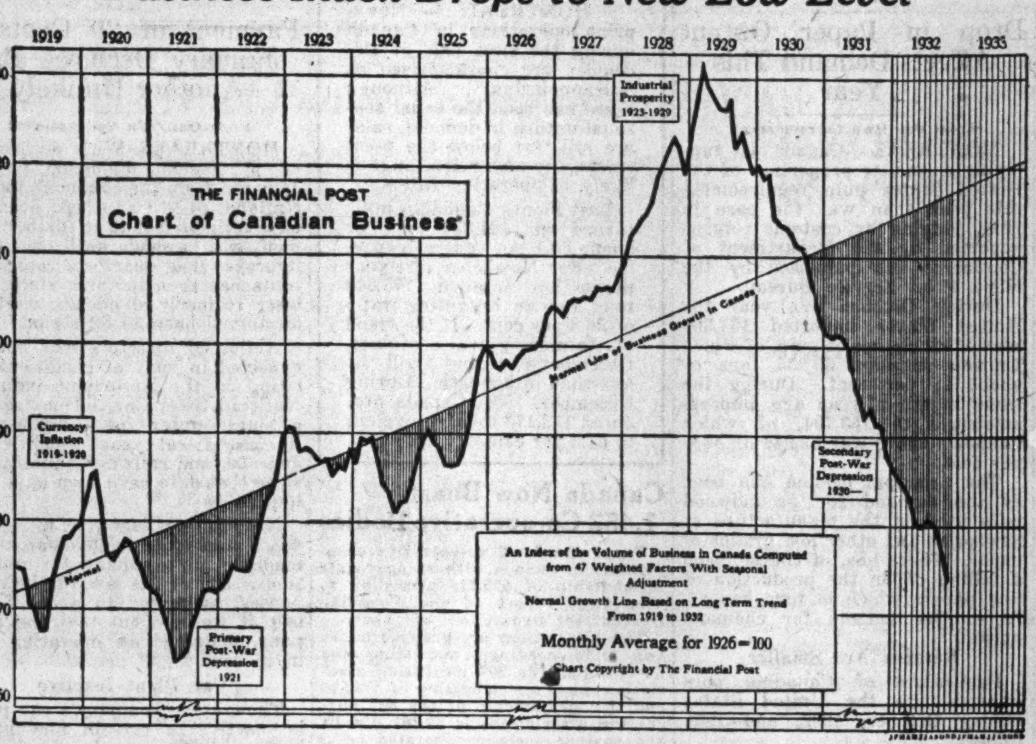
Wheat exports for the week ended December 9 totalled 7,310,861 bus. compared with 8,988,059 bus. for the previous week and 3,120,644 bus. in the corresponding 1931 week.

Wheat stocks in store at December 9 were 235,801,863 bus. compared with 237,193,894 bus. a week ago and 189,497,624 bus. at the corresponding date in 1931.

Vancouver Wheat Shipments

Shipments of wheat from Vancouver continue to move in increased volume, bringing the total for the season up to 37,145,345 bushels, an increase of 100 per cent over the same period a year ago.

Business Index Drops to New Low Level



An Index of the Volume of Business in Canada Computed from 47 Weighted Factors With Seasonal Adjustment

Normal Growth Line Based on Long Term Trend From 1919 to 1932

Monthly Average for 1926=100

Chart Copyright by The Financial Post

According to preliminary computation based on 32 factors out of 47 used in the compilation of The Financial Post business index, the level of business operations was lower in November than in the preceding month. Out of the 32 factors available 17 showed declines from October while 15 recorded gains. Nickel exports showed a gain while other mineral production factors were down. Slaughterings were in heavier volume and cheese exports showed a gain after seasonal adjustment. Newsprint production and wood pulp exports were up. The primary iron and steel industry showed a gain in operations while fewer motor cars were produced. Construction contracts awards were in excess of $10,000,000 compared with $8,876,000 and carloadings were greater after seasonal adjustment. Imports were in greater volume, while exports recorded a decline.

Gold production, raw cotton imports, grain marketings, live stock marketings and slaughterings were among some of the factors showing a gain in 1932 compared with the preceding year. Operations of the power and oil industries were at a lower level than in 1931, but the recession was very moderate.

'32 Business Decline Greater than in '31

The Financial Post Index of Canadian Business Shows 13 Point Drop in Eleven-month Period —But Some Trades Show Improvement

By SYDNEY B. SMITH

As far as general business operations in Canada were concerned, the year just ending was quite disappointing. The hopes expressed one year ago by some authorities that Canada by the end of 1932 would be well on the way to recovery have not been fulfilled. The departure of Great Britain from the gold standard about 15 months ago followed by many other countries was named as one of the factors which should lead in the direction of stabilization of wholesale prices. The decline in prices in countries remaining on the gold standard continued rather sharply and for those on managed currencies new low prices were reached in the latter months of 1932. In many countries the level of commodity prices is lower than at any time since the pre-war period. While world stocks of primary products remain at a high point the extreme deflation of prices must be laid at the door of gold maldistribution and the breakdown of international confidence.

Three Key Events

Three economic events having an important bearing on the trend of business in Canada occurred during 1932. Those include the negotiation of the inter-Empire pact liberalizing the trade movement within the British Empire, the tentative agreement arranged at Lausanne regarding reparations and war debts and the passing in June of the financial crisis in the United States marked by a cessation in the outflow of gold and the return of hoarded currency into circulation.

During the first half of the year the rapid decline characteristic of 1930 and 1931 was continued, nearly all lines of business enterprise showing depreciation, although a marked change was staged at the first of the summer. An improvement in the financial background was shown which has not been entirely counteracted by the reaction in the last quarter. The advance in the price of government bonds had significance as a sign of improvement in credit conditions. High yields on government bonds such as obtained in January, 1932, act as a deterrent against the investment of liquid funds in industrial enterprise. Common stocks rallied from the low point of June, the recent high reached in the early part of September showing a large percentage gain over June levels. Subsequent reaction has not been sufficiently severe to offset the gain from June to September, average quotations of midyear still retaining the minimum position of the present depression. From June to September moderate gain was shown in wholesale prices, while in October and November new low points were recorded.

Year's Business Trend

The trend of business operations as indicated by The Financial Post index was somewhat similar. The drop during the first six months was severe. A temporary gain was shown in July followed by further decline in the four subsequent months. The net result was that a decline of about 13 points was shown between January and November. The decline in 1931 was 10.5 points, while a drop of 14.2 points was shown in 1930.

While the general tendency during 1932 was downward, it is obvious that all industries are not affected equally by influences of depression. Industries supplying the necessities of life are able in many cases to maintain volume even if the price situation calls for frequent adjustment of costs and operating conditions. We find that industries engaged in the manufacture of clothing and foodstuffs produced nearly as much in 1932 as in the preceding year. The index of live stock slaughterings in the first ten months of 1932 was 106.6 compared with 94.1 in the preceding year, indicating greater activity in the meat packing industry during the year under review. Sugar production in the first ten months of 1932 was 772,000,000 pounds compared with 796,000,000, and the output of wheat flour was 11,513,000 barrels compared with 12,513,000. The decline in the operations of the flour and sugar industries was consequently slight compared with the experience of the great majority. The index of grain marketings was 134.4 compared with 102.9 in the same period of 1931, and the index of live stock marketings was 83.0 compared with 81.5. The moderate decline in the foodstuffs index from 84.1 in 1931 to 83.0 in 1932 indicates the slight recession in the production of consumers goods of this description.

Improvement in Textiles

Raw cotton imports were 68,160,000 pounds in the first ten months of 1932 compared with 67,240,000 in the same period of 1931 and the record of employment bears out the contention that the textile industry has recently been more active than in the corresponding months of last year.

The part played in the causation of the business cycle by the industries engaged in the production of plant and equipment owing to the extreme fluctuation which these industries display, may very well receive too much emphasis. Close analysis discloses that the industries producing consumption goods are normally the first to recover after a depression. Despite the contraction of purchasing power, the volume of production in the industries engaged on consumers goods made a relatively excellent showing in 1932.

Big Drop in Steel

As iron and steel are used largely in the construction and maintenance of plant and equipment, operations in the industry are an excellent indication of expansion or the lack of it throughout the industrial structure of the Dominion. For this reason the production of iron and steel is regarded as an excellent barometer of industrial operations. While the industry is subject to wide fluctuations of a cyclical nature, recovery from a major depression is normally slow, being delayed until considerable expansion has been effected in other lines. Production of pig iron in the first ten months of 1932 was 102,950 tons compared with 391,838 tons in the same period of 1931, while the cumulative for steel ingots and castings was 274,900 tons compared with 623,700. The construction industry occupies a somewhat similar position in relation to the social economy. Contracts awarded in the first eleven months of 1932 were valued at $128,700,000 compared with $304,200,000 in the same months of 1931. Building permits in 61 cities in the same period were $37,900,000 compared with $103,600,000.

Power and Oil Hold Up

Certain other industries, owing to the inelasticity of the demand for principal products were successful in maintaining a high level of operation. The power and oil industries are less affected by fluctuation in consumer demand in time of depression than most other groups. The output of the power industry, 13,172,600,000 kw.h. in the first ten months compared with 13,712,200,000 kw.h. in the same months of 1931 and owing to the sharp reduction in exports the domestic consumption would be even relatively greater than indicated by these statistics. The imports of crude petroleum amounted to 805,340,000 gallons in the elapsed period of 1932 compared with 862,410,000 in the preceding year. While less than in 1929 to 1931, the imports of crude petroleum were greater than in 1928 and all previous years in the history of the industry. The use of the automobile has taken a strong grip on the Canadian people and depression conditions has only slightly reduced the motoring habit.

The Financial Post index in its preliminary form was 73.7 in November compared with the final figure of 76.5 in the preceding month. Of the 32 factors available at time of compilation, 17 showed decline and 15 recorded gains.

Month's Figures Reviewed

Nickel exports showed a gain, the figures being 3,150,900 pounds in November compared with 2,734,000 in October. Receipts of gold at the mint were 234,825 ounces compared with 251,442 in October and exports from Canadian Mines were also at a lower level. Silver shipments were 1,179,695 ounces compared with 1,935,367. Exports of copper and zinc were in lesser volume and asbestos exports showed a decline. The movement of nickel to external markets was the only factor showing a gain out of the six availables.

The gains in the output of flour and sugar were less than normal for the season. Production of rolled oats showed a gain, while oatmeal and corn flour registered declines. Slaughterings of live stock despite the low prices were unusually heavy in November gains after seasonal adjustment being shown in the three classes. Cheese exports were 12,095,000 pounds compared with 14,776,000, a gain being shown after seasonal adjustment.

More Newsprint Sold

The manufacture of tires after seasonal adjustment showed a gain, while the production of leather boots and shoes was in lesser volume. Production of newsprint at 161,334 tons compared with 157,506, showed a gain which would be augmented by seasonal adjustment. Wood pulp exports were also somewhat greater, declines being shown in exports of boards, planks and shingles.

The primary iron and steel industry was more active in November, the production of pig iron being 14,149 tons compared with 6,731 in October, while the output of steel ingots and castings was 37,088 tons compared with 17,102. Imports of iron and steel with the elimination of the price factor were considerably greater in November. The production of 2,204 cars and trucks compared with 2,923 units in October. The gain in coke production was less than normal for the season.

Gain Shown in Imports

Construction contract awards at $10,170,000 showed a considerable gain while the decline in building permits was greater than normal for the season. The decline in carloadings at 192,575 in November compared with 211,525, was less than expected from seasonal considerations. Despite a relatively heavy movement of grain, carloadings after seasonal adjustment were at a lower level than at any other period since the depression commenced.

A gain was shown in imports whereas a decline would have been normal for the season. Exports were $46,621,000 compared with $57,160,000 in October.

CANADA TO JOIN PARLEY ON LABOR AND WORK HOURS

Tri-Partite Conference Due Jan. 10 at Geneva

From Our Own Correspondent

OTTAWA—Canada will participate in the special tri-partite preparatory conference called to meet in Geneva on January 10 to study the technical problems included in a reduction of individual hours of work by international agreement.

An Order-in-Council has been passed authorizing the participation in the conference of a Canadian Government delegate, an employers' delegate and a workers' delegate.

The Canadian Manufacturers' Association and the Trades and Labor Congress are being invited to nominate the employers' delegate and the workers' delegate respectively.

Members and Non-members

All the states members of the International Labor Organization have been invited to attend the conference and H. B. Butler, the director of the International Labor Office, was instructed by the governing body of the organization at its recent meeting in Madrid to open negotiations with non-member states with a view to their participation also. These include the United States and Russia.

Technical problems involved in a reduction in the hours of work of miners, salaried employees and industrial workers generally will be studied at the conference. It has been decided that seamen and agricultural workers will not be included.

World Conference Later

Conclusions reached may be transmitted to the world economic and financial conference scheduled to meet in London later in 1933. In any event the question of reducing hours of work as a contribution to the solution of the problem of unemployment is now definitely open for international discussion. By 16 votes to 6 (the British Government and five members of the employers' group) the governing body voted at its last meeting to place the following question on the agenda of the International Labor Conference (the parliament of the International Labor Organization): "The reduction in hours of work report of the Tripartite Preparatory Conference." This conference will open on May 31, 1933.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1932	1931	Cumulative Jan. 1 to date 1932	1931
Transportation—				
Car loadings (Dec. 10)	38,004	49,586	2,079,759	2,455,775
C.P.R. gross earn. (Dec. 14)	$ 2,320,000	$ 2,860,000	$ 118,795,000	$ 141,278,000
C.N.R. gross earn. (Dec. 14)	$ 2,399,316	$ 3,036,441	$ 138,127,864	$ 170,063,105
	Monthly			
C.P.R. net earn (Nov.)	$ 3,923,573	$ 4,476,662	$ 14,454,943	$ 17,268,829
C.N.R. net earn. (Oct.)	$ 2,925,472	$ 1,841,748	$ 9,125,589	$ 5,407,518
Iron and Steel—				
Pig iron, tons (Oct.)	6,731	11,562	102,950	391,884
Steel, tons (Oct.)	17,102	40,926	274,945	623,781
Automobiles prod., No. (Oct.)	2,923	1,440	56,473	78,935
" exports, No. (Oct.)	2,462	712	10,404	13,756
Construction—				
Building permits (Nov.)	$ 2,505,309	$ 7,282,117	$ 37,922,575	$ 104,327,739
Contracts (November)	$ 10,170,400	$ 24,642,200	$ 128,682,300	$ 304,224,700
Newsprint—				
Production, tons (Nov.)	161,334	175,643	1,770,424	2,052,625
Exports, tons (Nov.)	153,568	171,151	1,639,765	1,846,403
Sugar—				
Imports, raw, lbs. (Oct.)	48,444,800	69,737,600	626,369,300	681,364,500
Melt. & ship, lbs.*	76,543,030	85,832,952	737,944,993	772,797,375
Manufactured, lbs.*	115,873,720	121,790,544	772,487,907	796,099,583
Flour—				
Production, bbls. (Oct.)	1,721,598	1,693,925	11,512,521	12,514,602
Wheat flour exp. bbls. (Nov.)	576,864	476,487	4,639,758	5,245,914
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (Nov.)	46.37	68.18	636.58	881.08
Boots and shoes, pr (Oct.)	1,599,190	1,554,144	15,539,820	15,289,386
Petroleum, imp. crude, gal. (October)	88,448,516	97,340,989	805,327,119	862,418,901
Cotton, imp., raw, lbs. (October)	7,029,000	7,589,000	68,161,000	67,928,000
Rubber, raw, imp., lbs. (Oct.)	2,704,000	3,509,000	41,177,961	48,328,185
Coal, imports, tons (Oct)	1,331,774	1,446,690	9,271,590	11,030,239
Gasoline sales, gals. (Aug.)	61,518,000	63,434,322	326,269,000	360,909,322
Trade—				
Imports (November)	$ 37,769,060	$ 46,911,012	$ 423,653,058	$ 587,808,591
Exports (November)	$ 45,944,520	$ 57,486,950	$ 451,300,542	$ 552,080,527
Wheat exports, bus. (Nov.)	27,301,976	27,452,063	200,484,756	172,569,637
Labor—				
Employment Index (Nov.)	84.7	103.0	......	......
Electric Power—Output—				
M. Kilowatt hours (Oct.)	1,390,128	1,428,842	13,008,559	13,536,236
Finance—				
Failures, No. (Sept.)	192	165	1,792	1,581
Failures, Liabilities (Sept.)	$ 2,979,544	$ 5,166,575	$ 30,012,931	$ 32,881,623
Bank debits† (Oct.)	$ 2,367,179	$ 2,586,858	$ 21,293,369	$ 26,106,513
Bond sales (Nov.)	$ 1,093,500	$ 221,223,358	$ 376,668,408	$ 609,127,237
Insurance sales (Nov.)	$ 34,003,000	$ 38,860,000	$ 370,440,000	$ 442,149,000
Automobile Financing:				
Used cars (Oct.)	$ 862,847	$ 1,337,692	$ 11,724,994	$ 19,065,414
New cars (Oct.)	$ 718,088	$ 1,324,452	$ 11,667,642	$ 18,903,293

*Four weeks' period, Oct. 15 to Nov 5.
†(000's omitted).

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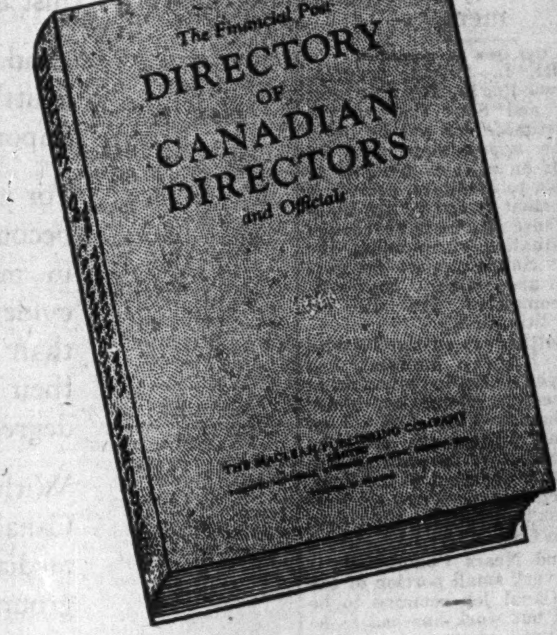

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BANKRUPTCY HEAD PRESENTS VIEWS ON AMENDED ACT

W. J. Reilley Says Abuses of Past Will Not be Countenanced

From Our Own Correspondent

MONTREAL.—Once an assignment has been made a bankrupt estate must be regarded as trust property. This was the view expressed by W. J. Reilley, Dominion Superintendent of Bankruptcy, in outlining his views on operation of the amended Bankruptcy Act which came into force on December 1 last before a meeting of Montreal trustees.

Abuses which had made a mockery of the old act will not be tolerated from now on, Mr. Reilley declared, and trustees found guilty of such abuses will be deprived of their licenses.

Two Sources of Bankruptcy

There were two sources of bankruptcy, one voluntary and the other involuntary, said Mr. Reilley. To what extent voluntary assignments had arisen from friendly petitions or collusion, was a matter of past history so far as he was concerned. But the practice of using the daily sheet of judgment debtors for the purpose of getting in touch with any debtor to tell him what he should do to evade his debts, was also going to be a matter of past history so far as trustees were concerned.

This situation, he commented, had been so much abused that Parliament had included in the new act penalty clauses providing a fine of $1,000 or imprisonment for two years, or both, for anyone found guilty. Such an offence was not in the same class as banditry but Parliament had nevertheless seen fit to make it punishable as though it were a major offence.

Can Seek Advice

This does not mean that a debtor could not seek advice from a trustee, but the trustee, in giving advice, must not have in mind the possibility of securing the trusteeship of the estate and the accompanying fees. When so consulted, the superintendent emphasized, the trustee should give honest advice, irrespective of what his own interest might be.

There was a weakness in the act, Mr. Reilley believed, with respect to the naming of a custodian, but he believed the only sound practice was for a custodian to be named only after one of the largest creditors had made a nomination in writing. Such a practice would remove the possibility of appointment of a custodian chosen by the debtor.

Must Watch Inventories

Mr. Reilley also spoke of the "diabolical practice of concealing or embezzling goods." In the past some trustees had allowed themselves to be made parties to such acts by not taking proper inventories or, in some cases, allowing the debtor himself to take the inventory. His department was going to exercise the right of sending in an official investigator to make an independent inventory in case of complaint, and if there was not an honest difference between the value in the first inventory and that in the second, the trustee would have some explaining to do. That being so, it was up to the trustees to see that only honest, capable men were employed in the taking of inventories.

Legal Costs Limited

Referring to heavy legal costs in connection with bankrupt estates, Mr. Reilley said that henceforth he would require licensed trustees to have reasonable knowledge of the law themselves without undue consultation of lawyers. Three-fourths of estates administered can be properly wound up without reference to a solicitor at all. Trustees must not pay lawyers more than the act permits, even if the charges have been passed by the Registrar in Bankruptcy, and "taxed," with court stamps.

The superintendent also discussed the old practice of proxy chasing, an objectionable practice to which nearly everybody had to conform under the old act. Because that was so he had not taken this offence into consideration in refusing licences to trustees, but, in the future, the practice was not to be condoned and penalties had been provided for it. He felt that a trustee could hardly be expected to deal fairly with everyone if he had already been around begging favors from some.

As to the funds derived from an estate, they must be considered as trust funds and each estate's funds must be kept in a separate bank account.

Montreal Port Records Gain in 1932 Arrivals

From Our Own Correspondent

MONTREAL.—Total of ocean-going vessels berthing in Montreal in the season just closed was 963, an increase of 152 over last year and a decrease of 268 from the record total of 1,231 established in 1927. Of the total ocean-going vessels docking in Montreal last season, 620 were British-owned and 343 were of foreign registry.

Grain deliveries by the Montreal Harbour Commissioners totalled 112,638,418 bushels, which is 23,619,766 bushels in advance of last year's total of 89,018,652 bushels. Deliveries in 1928 were the highest ever recorded, amounting to 211,295,379 bushels.

Fewer coasting craft visited Montreal last season than in any year since 1925, river traffic having declined materially since the 1928 peak. Total vessels, ocean and coasting, to visit Montreal last season was 1,274 compared with 1,150 in 1931.

Dominion Bridge Co. Declare Advance Dividends

From Our Own Correspondent

MONTREAL.—Continuing the precedent established earlier in the year of declaring dividends ahead, directors of Dominion Bridge Co. have declared the regular dividend of 50 cents a share for the current quarter and also a dividend at the same rate for the following quarter. A dividend of 50 cents a share was declared payable on February 15 to shareholders of record on January 31 and a similar dividend for the quarter ending April 30 next, payable on May 15 to shareholders of record on April 29.

The annual financial statement of the company for the fiscal year ended October 31 last will be ready shortly. It is fully expected that the report will show much smaller earnings due to the lack of new contracts in the past year. The cash position of the company, a feature of past reports, is expected to be well maintained.

American Publishers Limit Paper Purchases

From Our Own Correspondent

MONTREAL.—Foreign purchases of newsprint by the United States during the ten months ended October, 1932, amounted to 1,501,128 tons compared with 1,722,591 tons for the corresponding period of 1931, according to returns compiled by the United States Department of Commerce and published in the News Print Service Bureau bulletin.

Examination of the individual returns show that imports from European countries totalled 124,804 tons, or about 1,500 tons less than last year. Imports by countries during the ten months, with comparative figures for 1931 in brackets follow: Finland, 40,256 tons (41,569); Germany, 12,238 tons (18,093); Norway, 19,408 tons (10,856); Sweden, 51,605 tons (55,795); other European countries, 1,297 tons (35).

Newfoundland has experienced a sharp falling off in its exports of newsprint to the United States this year, the total for the ten months being 91,982 tons as compared with 130,787 tons for the same period in 1931.

Canada also has experienced a restriction in demand from the United States, as evidenced by the fact that the United States imported 1,284,342 tons during the first ten months this year as against 1,465,456 tons for the corresponding period last year.

It is of interest to note that the majority of European newsprint came into the United States through the following ports of entry: New York, Philadelphia and New Orleans.

Canada's Position Slips As Newsprint Producer

Output for First Eleven Months This Year Off 29 Per Cent from 1929 Peak — Average Decline During Period Was 26 Per Cent

From Our Own Correspondent

MONTREAL.—Canada has not maintained its position as a producer of newsprint since the record year of operations in 1929.

Taking the figures for the first ten months of the year, records compiled by the News Print Service Bureau indicate that North American production has declined 26 per cent between 1929 and 1932.

The comparative ten months figures for Canada show a drop of 29 per cent.

The United States will record a decline in output of 27 per cent.

Newfoundland operators increased their output 6.80 per cent.

Eliminating Newfoundland and Mexico from the calculations, production in the United States and Canada for the first ten months of 1932 was 28 per cent lower than for the corresponding record period in 1929.

Current Output Figures

Production in Canada during November, 1932, amounted to 161,334 tons and shipments to 164,327 tons. Production in the United States was 81,622 tons and shipments 82,992, making a total United States and Canadian newsprint production of 242,996 tons and shipments of 248,249. For the same month last year production amounted to 269,792 tons and shipments 267,324 tons.

During November last 21,195 tons of newsprint were made in Newfoundland and 844 tons in Mexico. This compares with 23,987 tons for Newfoundland and 826 tons for Mexico in November, 1931.

Total North American production last month was 265,035 tons compared with 294,605 tons for the corresponding month last year.

Canadian Mills Slow Up

Canadian mills produced 283,984 tons less in the first 11 months of 1932 than in the same period of 1931, a decrease of 14 per cent. The output in the United States was 134,849 tons or 13 per cent less than for the January-November period in 1931:. Newfoundland's production was 20,369 tons or 8 per cent less, and in Mexico 2,190 tons, while the North American decrease was 441,392 tons or 13 per cent.

Examination of the cumulative returns for the 11 months of 1932 show that operations in Canada are on a scale somewhat larger than in 1926. The United States mills, on the other hand, report an output under 1,000,000 tons for the period—the lowest that has been recorded in more than a decade.

Recent Trend Downward

Following is a table showing the 11 months production in Canada and the United States each year back to 1925:

10 Months	Canada	U.S.
1925	1,385,234	1,393,637
1926	1,714,020	1,542,415
1927	1,900,513	1,365,988
1928	2,173,498	1,293,663
1929	2,495,628	1,274,486
1930	2,319,368	1,182,929
1931	2,054,408	1,063,648
1932	1,770,424	928,799

Shipments Slightly Higher

The close relationship between production and shipments is seen in the tabulation below. Canadian shipments for the first 11 months reached a peak in 1929 with a total of 2,486,492 tons. There has been a steady drop since then, the figures for 1932 being 1,776,232 tons. The peak of American shipments in recent years was in 1926, when the mills despatched 1,541,555 tons. This compares with 931,324 for the current year:

10 Months	Canada	U.S.
1925	1,384,985	1,396,627
1926	1,712,824	1,541,555
1927	1,876,474	1,350,443
1928	2,184,777	1,276,120
1929	2,486,492	1,286,929
1930	2,305,810	1,168,836
1931	2,035,932	1,064,848
1932	1,776,232	931,324

MONCTON HEADS GENERAL MOTORS MARITIME ZONE

G. M. to Occupy New Distribution Plant in February

Moncton, N.B., is to be the new Maritime Provinces zone headquarters for General Motors Products of Canada, Ltd., of Oshawa, Ont. It is expected that the motor company will establish its operations in Moncton by the middle of February next.

A new building is in course of construction on Downing St. in Moncton in which the general offices, parts department, sales and finance departments, etc., will be located. The south end of the plant abuts on the C. N. R. wharf branch tracks, thus ensuring adequate rail transportation facilities. It is understood that the new plant will employ some 60 persons, and that it will mean over $100,000 additional payroll in Moncton.

Business Men Negotiated

Business men of Moncton have been active in negotiations to bring the Oshawa firm to its new eastern headquarters. A group of 57 shareholders has formed the Realty Holding Co., Ltd., to own and finance the new building which has been leased to General Motors Products for ten years. Construction is being carried on by Ambrose Wheler, Ltd., and the building is expected to cost about $60,000.

The peculiarly central position of Moncton in the Maritimes was one factor considered by the General Motors firm when investigating the problem of deliveries in the territory. It is thought that the new location will be economical of time and cost of such deliveries in the provinces. Climatic conditions are not inclined to result in rusting of expensive equipment and parts in Moncton, it is understood.

Under the agreement between the company and the local realty holding company, the building must be ready for occupancy by February 15, next.

The property on which the building will be located has a frontage on Downing Street of 185 feet, and about 114 feet on the wharf track. The building will be of fireproof construction, and will have a street frontage of 173 feet with a back depth of 114 feet. One-half of the building will be of two stories, and the total floor area will be 28,000 square feet.

About one-half of the ground floor will be devoted to the parts depot, where parts of all makes of cars manufactured by General Motors will be in stock. On the ground floor, and incorporated in the building, will also be located a large unloading dock where railway cars of parts as well as assembled automobiles can be unloaded. The rear portion of the building will be a one-story structure and will provide storage space for 50 or more cars and trucks.

The second floor of the building will be devoted to the executive and clerical staff, private offices for the executive and a large general office.

LYALL CREDITORS DIVIDEND OUTLOOK STILL UNSETTLED

Lien Claims Make Delay in Arriving at Settlement

From Our Own Correspondent

MONTREAL.—Despite progress made in winding up the affairs of P. Lyall and Sons Construction Co., no estimate can yet be made as to the approximate date or amount of an interim dividend or distribution to creditors, according to a statement issued by the liquidator. There has been no change in the situation surrounding the company's claims against the government and other contracts, though completed, are still involved in litigation.

Final settlement on the Toronto Terminal Railway contract has been delayed owing to claims made and proceedings commenced under the Mechanics Lien Act. Lien claims and proceedings must be disposed of before the railway will make further payment to the liquidator. Legal proceedings are now in progress to determine the rights of the lien claimants.

Welland Nears Completion

Only a very small portion of the Welland Canal job remains to be completed but work has had to be deferred until next spring. Progress toward final completion is dependent on government appropriations. It is anticipated that a final accounting under the contract will be obtained before the end of next year.

Negotiations have been carried on with the Department of Railways and Canals to settle problems arising from waterproof coatings of the lock gates. The settlement is now being effected which will release the estate from the bulk of a possible liability of $243,000.

A deposit of $200,000 in connection with the Back River power development near Montreal will not be released until February, 1935. In the meantime the liquidator points out that interest is accruing on this balance and being reinvested.

Complete Elevator Extension

The 1,000,000-bushel extension to the United Grain Growers' Elevator on Burrard Inlet, Vancouver, has been completed, and the enlarged plant was officially opened and inspected recently by R. S. Law, president of the company. The newly completed addition brings the elevator capacity to 2,650,000 bushels.

UNITED STATES PURCHASE LESS CANADIAN PULP

Drop in Paper Output Affects Demand This Year

From Our Own Correspondent

MONTREAL.—Canada is supplying a smaller proportion of the United States pulp requirements this year than was the case in 1931, judging by customs returns reported by the Department of Commerce and published by the News Print Service Bureau.

During October this year the United States imported 137,309 tons of all classes of pulp, of which Canada supplied 55,935 tons or about 41 per cent. During the same month a year ago imports amounted to 153,794, of which Canada's share was 63,946 or 44½ per cent.

The principal decline has been in the demand for groundwood pulp used in the manufacture of newsprint and other low grades of paper. There has, of course, been a falling off in the production of fine papers which in turn has affected the demand for chemical pulps.

Returns Are Smaller

Particulars of Canadian pulp imports into the United States during October, 1932, and 1931 follow:

	October 1932	1931
	—Tons—	
Sulphite	20,292	24,562
Sulphate	22,240	19,533
Groundwood	13,403	19,851
Total	55,935	63,946

During the first ten months this year the United States purchased abroad 1,149,169 tons of pulp and of this amount 343,669 tons came from Canada, or about 30 per cent of the total. During the corresponding period of 1931 total imports were 1,275,919 tons, 35 per cent of which, or 451,117 tons, came from the Dominion.

All classes of pulp imported from Canada this year show a falling off, especially in the case of sulphite and groundwood, as will be seen in the following table:

	January-October 1932	1931
	—Tons—	
Sulphite	191,566	256,869
Sulphate	35,794	49,821
Groundwood	116,309	144,427
Total	343,669	451,117

Alberta Coal Production Higher

An increase of 304,074 tons in coal production in Alberta from 3,435,901 tons in the first ten months of 1931 to 3,739,975 tons for the ten months of 1932 ended Oct. 31, is shown.

Newsprint Mills Slack This Month

From Our Own Correspondent

MONTREAL. — Newsprint operations in Canada during the first half of December are characterized as "disappointing." Although there has been the usual seasonal upturn in demand, sales are still far below the point where any material change is likely in operating ratios.

Last month Canadian mills turned out 161,334 tons, or about 50.1 per cent of capacity. For November last year production totalled 175,643 tons for an operating ratio of 56.8 per cent. If the trend of former years continues, December's output will be less than last month. During December, 1931, Canada produced 165,173 tons, equivalent to 51.3 per cent of capacity.

Canada Now Boasts 1,452 Co-operative Bodies

There are 1,452 co-operative associations in Canada with an aggregate membership of 525,216 according to the latest report of the Canadian Government Department of Labor.

The associations are grouped under two main headings, marketing and purchasing. The 803 marketing associations have a membership of 374,516 and the membership of the 467 purchasing associations is 49,361. Credit and savings societies operated on a co-operative basis number 13 with a membership of 48,254, of which 46,000 are residents of the Province of Quebec. There are 92 Community Hall Societies, 86 of which are located in the Province of Saskatchewan with a total membership of 5,749. Miscellaneous societies number 77 with a membership of 47,336. Among the marketing associations 362 are for the purpose of marketing live stock; 18 are organized to sell sheep and wool and 113 for marketing dairy products.

Quebec had the largest number of associations handling poultry products—11 out of a total of 27. There were 152 fruit and vegetable associations classified as marketing agencies, 65 of which were in British Columbia, 48 in Nova Scotia and 27 in Ontario. Seed and grain associations numbered 31, five of which were operating in more than one province; of these Ontario had 12 organizations. Associations handling miscellaneous commodities numbered 99 of which 66 were located in the province of Quebec.

Alberta Beet Crop Large

The sugar beet crop in Southern Alberta this year surpasses by about 12,000 tons the estimate placed upon it during the growing season. This year's harvest works out to about 150,000 tons—roughly, a million dollar beet crop.

DIVIDENDS END ON NATIONAL CAR PENDING PICKUP

Payment of 20 Cents in January Declared But Another Unlikely

From Our Own Correspondent

MONTREAL.—With declaration of a 20-cent dividend, payable January 2, on the common stock of National Steel Car Corp., directors have intimated that no further payment will be made until conditions improve. The quarterly rate of 20 cents has been in force since July last; formerly dividends were on an annual basis of $2 a share.

Action of directors was not unexpected in view of conditions existing in the equipment industry. National Steel Car did not receive a single order for equipment in its last fiscal year which ended June 30, and railway commitments since that date have been on a very limited basis.

Net earnings last year were $59,483, a sum which included an award made to the company for reparations. Since this award, less expenses, amounted to about $300,000, it was evident that the company sustained an operating loss in its last fiscal period.

Car Plant Inactive

Though the company's car plant is inactive, a certain amount of business is forthcoming in the automotive division which contributes to offset unavoidable overhead expenses. Shut-down costs are understood to be well in hand and the company has built up substantial reserves in more prosperous times.

The last balance sheet showed call loans and investments at $326,428 and Dominion and provincial bonds at a book value of $816,423, with market value at $723,750. Total current assets were $1,524,917 against current liabilities of $46,543, leaving working capital at $1,478,374.

No bank loans were outstanding and the 130,000 shares of no par value are the only securities issued. Dividends on the stock totalling $1.70 a share were paid last year and a surplus of $5,408,443 was carried forward into the current period.

Manitoba Biscuit Output Down

Manitoba's nineteen manufacturers of biscuits and confectionery produced goods to the value of $1,540,171 last year, or only slightly less than the previous year, when the output was $1,598,645. The province's payroll in this industry rose during the year from $430,804 to $458,242.

HARDING CARPETS DEFICIT LARGER

Bank Loans Reduced by $40,000 — Inventories Are Lower

With demand for carpets at a low point, Harding Carpets Ltd. had an operating loss of $22,863 in the year ended Oct. 31, 1932, which, with interest paid on loans amounting to $12,326, caused a deficit for the year of $35,189 as compared with a deficit in 1931 of $5,310. No provision was made for depreciation but plant and equipment are stated to have been maintained in good condition. Inventories were liquidated and proceeds applied to reducing bank loans but working capital is lower. A freer market for the company's products is expected in 1933.

Income and surplus account for the past two years is as follows:

Income and Surplus Account
Years Ended Oct. 31

	1932	1931
	$	$
Loss from operations	22,863	5,310
Int. on borrow. money	12,326	......
	35,189	5,310
Loss for year		
Less: Inventory res...	......	13,000
Deficit	†35,189	†18,310
Previous surplus	*3,672	13,138
Disc. on pref. stk. redeemed	......	1,500
Deficit carr. for'd	38,861	3,672

*Deficit.
†Before providing for depreciation.

Inventories, priced on the basis of the present low market, are shown at $175,401 as against $271,222 in 1931; accounts receivable are up to $73,024 from $52,000 in 1931 and cash is down to $1,566 from $5,726. Bank loans have been reduced to $169,000 from $209,000 and accounts payable are slightly lower at $12,718. Working capital position of the company is as follows.

Working Capital

	1932	1931
	$	$
Current assets	249,992	328,785
Current liabs.	181,718	222,683
Working capital	68,274	106,102
Ratio	1.37—1	1.48—1

Practically no change is shown in fixed assets valued at $831,767. Deferred charges are shown at $1,219 and preliminary administrative and operating expenses at $36,052. Reserve for depreciation remains at [illegible] provided in 1929. There remains outstanding 7,500 shares of $100 par value 7 per cent preferred stock on which no dividends have been paid and 20,000 shares of no par value common stock. Deficit now amounts to $38,862.

International Pete Colombia Output Down

Further reduction in output of crude oil from the Colombia wells of International Petroleum Co. is indicated in the drop in the average daily production during November to 24,500 barrels, compared with an average daily output of 28,126 barrels in October and 45,794 barrels in September. Production in Peru showed an increase in the daily average for November to 18,965 barrels from 18,079 barrels in October.

Total production from the company's wells in Colombia during October is reported at 871,912 barrels, compared with 1,455,380 barrels in October, 1931. Production in Peru of 560,436 barrels slightly exceeded the 555,527 barrels produced in October, 1931. Operating statistics in the 10 months ended Oct. 31, 1932 and 1931, are as follows:

Ten Months Ended Oct. 31

	1932	1931
Peru:		
No of wells completed	8	49
Av. initial prod., bbls.	49	241
Total crude prod., bbls.	6,313,669	[illegible]
Colombia:		
No. of wells completed	18	39
Av. initial prod., bbls.	328	[illegible]
Total crude prod., bbls.	14,746,976	[illegible]

Mohawk Mills Leases Plant

The Mohawk Mills, Ltd., a newly-chartered Canadian company, has leased one of the large buildings of the Canadian Libbey-Owens Glass Company at Hamilton, and will operate a dry spinning mill, according to an announcement by Col. H. D. Fearman, Commissioner of Industries for the city. Machinery is now being installed, and production is expected to commence by January 1, with between 50 and 60 hands employed.

Steel Plate Construction
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THE TORONTO IRON WORKS LIMITED
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Circulation Now More Than Double What It Was Five Years Ago

THE MAGAZINES of Canada have shown remarkable growth during the past few years.

The circulation of the five leading magazines of Canada is now more than double what it was just five years ago.

And even this remarkable advance in circulation is little more than an indication of the much more important growth of their standing and influence.

For many reasons, national feeling in Canada has become greatly intensified and it finds expression in many ways that were not previously in evidence. It means that Canadians are prouder than ever of things Canadian, and particularly of their own magazines which are popular now to a degree entirely unknown a few years ago.

With their enhanced prestige and influence, Canada's magazines have become the national media to an extent not surpassed by the strongest groups of magazines in any other country.

They have won their way in competition with magazines coming into Canada from both the United States and Great Britain. They are rapidly displacing the best of "foreign" magazines because their enterprise and high character appeal to Canada's pride in things purely Canadian.

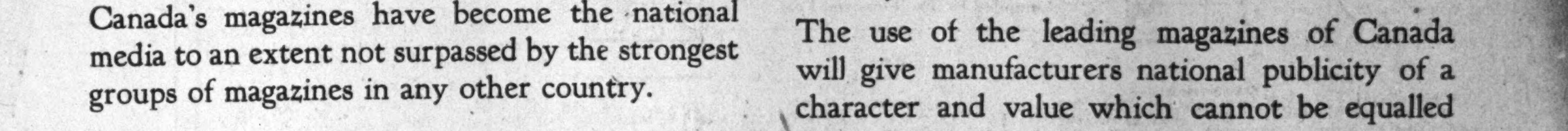
Reaching Better Than Every Second Urban Home

The volume of magazine circulation available in Canada today, in proportion to population, is equal to, if not greater than, that usually employed by advertisers in the United States "to cover the country".

Merchandising processes in the United States and Canada are very much alike; and the influence of magazines is just as important; their value just as great; their use just as necessary; and their effectiveness just as certain; in the one country as in the other.

The use of the leading magazines of Canada will give manufacturers national publicity of a character and value which cannot be equalled through any other form of advertising, at anywhere near the same low cost.

In Canada the trend in advertising is toward the national periodicals



These five magazines are of uniform page size: all are ABC audited: and all are members of the Magazine Publishers Association of Canada, 204 Richmond St. W., Toronto

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, DECEMBER 24, 1932 | 10c a Copy; $5.00 a Year | No. 52

ACTION LIKELY ON JOINT CONTROL OF MOTOR TRUCKS

Seven of Nine Provinces Ready to Co-operate in Measures

DUFF PLAN AS BASE

7 Key Recommendations in Railway Report Likely to Be Basis of Provincial Action

From Our Own Correspondent

OTTAWA.—Prospects are considered bright for the achievement within the next three months of a nation-wide measure of control over motor trucks. In this way a marked improvement in railway operation is likely to be attained. It is estimated, conservatively, that last year motor vehicles, operating as common carriers, did a business of more than $60,000,000. The effect of this competition upon railway revenues is obvious.

Whether or not the full recommendations of the Duff Commission with respect to truck competition can be carried out remains to be seen. Trucks are under provincial, not Federal, jurisdiction and the various provincial governments will have to agree to take common action if the problem of uneconomic competition with the railways is to be solved.

Seek to Effect Reforms

This question will be one of the most important to be submitted to the forthcoming Dominion-Provincial conference. The Federal government, undoubtedly, will press hard for the adoption by all the provinces of the reforms recommended by the Duff Commission. These are:

1. Schedules of truck rates and charges should be published.
2. Within those schedules common carriers of freight should accept and carry what is offered to them without discrimination between customers and commodities.
3. Operators should be insured against all risks, including third party risks.
4. Operators should keep accounts on a prescribed system and render returns to appropriate public authority on a common basis.
5. Minimum standards in regard to working conditions, including wages and hours of labor, should be required.
6. In the interests of the safety of the public, a standard of fitness should be required of all operators in regard to their vehicles.
7. Due regard should be had to the preservation of road surfaces, and, to this end, restrictions should be imposed upon the size and weight of road vehicles in accordance with the type and character of the highway.

The attitudes which the various provinces will adopt has been fairly exposed in the evidence given by representatives of their governments to the Duff commission. Thus it may be taken as certain that seven of the nine provinces will favor complete co-operation with Ottawa in placing truck competition upon a fair basis. The two doubtful provinces are Ontario and New Brunswick.

The position of Premier Henry, of Ontario, was published in The Post last week. It will be observed that while he is opposed to the abandonment of any railway mileage in his province, he is very non-committal about restricting motor vehicle competition.

New Brunswick, apparently, takes the line that the railways must meet truck competition by lowering freight tariffs — which would still further reduce their revenues and add to their difficulties. Hon. D. A. Stewart, Minister of Public Works, in giving evidence before the Duff Commission, said: "The railways will have to adjust their freight tariffs before they can expect to get back from the motor carriers the business they have lost through motor competition."

Seven Will Co-operate

Premier Harrington, of Nova Scotia, in his evidence, said that his government would be glad to confer with the other provinces so that there might be devised a uniform truck rate structure and a policy of supervision and regulation.

There will be no difficulty so far as Quebec is concerned. Premier Taschereau, in his evidence to the Duff commission, made it clear that Quebec will willingly co-operate in enacting laws and regulations controlling trucks.

In the west, the provincial governments have varying views with regard to truck competition but there is no opposition to the enactment of remedial measures. "The railways should initiate action," said Hon. W. J. Major, Attorney General of Manitoba. "There is no great public demand for regulation of the motor carrier, and the railways themselves have not so demanded. The Manitoba government is prepared to co-operate with the Dominion and the other provinces in every effort that can be made to provide a remedy for any unfair competition that might exist."

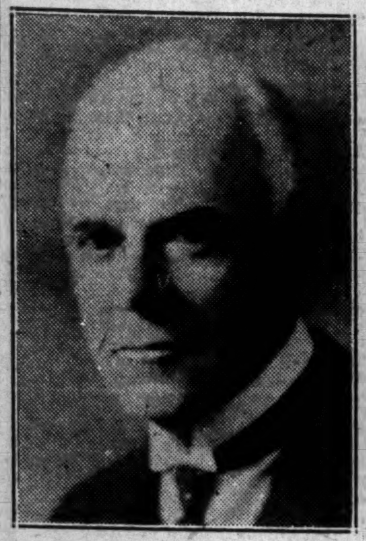
Speaking for Saskatchewan, Hon. M. A. MacPherson, Attorney General, said: "We will regulate the freight rates having regard to those that are charged on the railways, and the railways will receive equitable treatment." With respect to passenger buses, these will be regulated also and higher taxation imposed.

Premier J. E. Brownlee placed Alberta's views before the commission. He indicated that his government would still be prepared to give the railway companies preferential treatment if they cared to go into the truck business. Failing that he said there was no obstacle to imposing taxation on trucks by which they would be compelled to make a proper contribution to maintenance of roadbed.

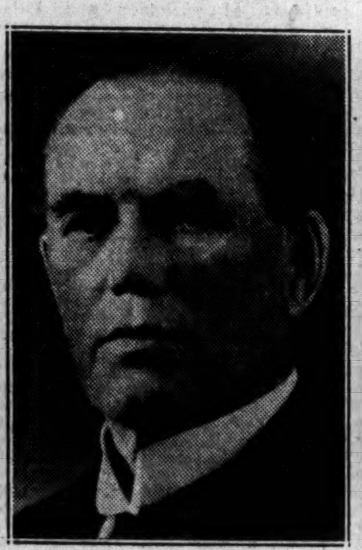
British Columbia also is quite prepared to co-operate in controlling motor vehicles though the problem, from the viewpoint of the railways, is not a great one so far as this province is concerned.

Prince Edward Island is not on the record, but there is no truck problem on the Island.

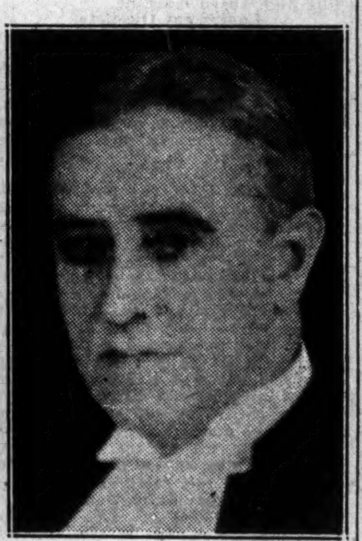
Norris Succeeds Holt: Montreal Power Enlarge Board



JOHN S. NORRIS



SIR HERBERT HOLT



G. H. MONTGOMERY, K.C.

Following a meeting of the directors, official announcement was made by Montreal Light, Heat and Power Consoldiated of the appointment of Sir Herbert Holt, president, to the newly created office of chairman of the board; John S. Norris, vice-president and managing director, to the office of president; and G. H. Montgomery, K.C., to the office of vice-president. At the same time it was announced that Hon. Senator J. P. B. Casgrain is elected to the directorate to fill the vacancy created by the recent death of Hon. Narcisse Perodeau.

LIGHTING SALES OF CLAUDE NEON GAIN IMPETUS

Sign Business Slumps — Low-Voltage Activity Improves

From Our Own Correspondent

MONTREAL. — Sales of low-voltage neon lighting installations have offset, to some extent, the decline in sign business sustained by Claude Neon General Advertising, Ltd., during the past year. In recent months there has been noticeable attention paid to the low-voltage division of the company's activities. Several substantial installations have been made in Quebec, ranging from store window lighting to illumination in industrial plants.

A new plant in Montreal was brought into production by the company last summer, specializing almost entirely in manufacture of low-voltage lighting sets. Features of this type of neon light are claimed to be absence from dazzle and production of a "daylight" effect which gives true value to colors. In the case of plant installations eye-strain on the part of workers is claimed to be eliminated; several silk plants in Quebec are using this method of lighting.

Sign Business Slumps

Sign business of Claude Neon, from which the bulk of revenue is derived, has slumped during the year. It is understood that most of the larger contracts have been maintained but there has been a noticeable decrease in new business offering. No figures on earnings have been made public but it is significant that dividends on the preferred stock were deferred in August last. At the end of 1931 there were outstanding $2.355,900 of 7 per cent preferred. Ranking senior to this was $1,614,000 of 6½ per cent collateral trust bonds and $702,500 of E. L. Ruddy Co. first mortgage bonds.

Neon signs produced by the company are leased for a period of three to five years, company retaining ownership. Accounts receivable at the end of last year totalled $2,354,796, a figure which included balances of long term contracts.

Exports to United States Off $6,314,000 in November

The export of Canadian domestic products to the United States in November, totalling $12,517,000, was a drop of $6,314,000 from November last year. With the exception of chemicals all groups showed declines.

The products of the Canadian farm again suffered severely. Agricultural and vegetable products dropped from $1,635,000 to $388,000; animals and animal products from $1,691,000 to $853,000; fibres and textiles from $105,000 to 36,000; wood, wood products and paper from $11,950,000 to $8,899,000; iron and its products from $176,000 to $162,000; non-ferrous metal products from $1,770,000 to $899,000; non-metallic mineral products from $673,000 to $401,000.

Says Central Banks No Depression Cure

Sound Demands of Would-be Borrowers and Not Policy of Banks is Chief Factor in Rise and Fall of Bank Credit

By A CANADIAN BANKER

A number of enthusiastic central bank advocates claim that such a bank will be able to check a depression by lowering the rediscount rate to a point which will tempt the chartered banks to borrow from it and to use the additional funds so secured to expand their loans to the public but that if the banks cannot be so tempted the central bank will proceed to buy securities at the open market. The vendors of these securities, they say, will deposit the proceeds of their sales in the chartered banks and the burden of these accumulating idle funds will force the banks to grant credit more freely.

As this theory has a number of supporters it may be as well to apply to it some practical tests.

Those who make this claim are apparently under the impression that depressed business conditions, if not actually caused through the adoption by the chartered banks of a deliberate policy of credit restriction, are at least intensified and prolonged by the reluctance of the banks to lend money more freely. Should this be admitted it follows logically that the cure lies in persuading or forcing the banks to change their policy. What grounds, if any, are there for this idea?

Surpluses and Prices

Every depression is marked by a more or less rapid and irregular fall in prices which originates as a rule in those paid for commodities and is due to an impending surplus. The initial movement occurs because of a dawning conviction in the minds of the shrewdest and most far-seeing of the men who deal in these primary products or require them for their operations, that such a surplus is accumulating or in prospect in the particular commodity with which they are concerned.

Having formed the opinion that if purchases are deferred they can be made more cheaply, these men naturally reduce their current buying to an absolute minimum and also hedge their position by making forward sales against their existing stocks.

The combination of reduced buying and increased forward selling tends to weaken prices slightly and the truth as to the statistical situation of the market is brought home to an ever-widening circle of those interested in commodity transactions. These in their turn limit their commitments and prices slip more and more rapidly. With a lag of some weeks or months the decline in value spreads from primary products to those that are partly processed and finally to finished goods of all kinds. The last stage is reached when throughout the business community everyone is carrying the smallest inventory with which it is possible for him to continue to operate.

Smaller Demand for Loans

The steady shrinkage in the value of goods against which bank loans have been obtained inclines the borrower to hasten the sale of what he can, while he may, in order that his losses shall be minimized and his indebtedness liquidated. The reluctance to replace goods sold and the lower prices of those which it is necessary to purchase result in a marked decrease in applications to the banks for accommodations. It is this voluntary limitation and this liquidation of loans by the borrowers themselves which contribute in a major degree to the shrinkage of bank advances during a depression and not, as many economists imply, a deliberate restriction of credit by the banks. There are, of course, always some borrowers who refuse to credit the extent to which prices may drop and who, ignoring advice, insist on holding their position in hope that a turn will come which will enable them to recoup their losses. If their margin of resources is not considerably in excess of their liabilities it may transpire that their assets decrease in value to a point where they no longer provide cover for their loans and the bank must insist upon liquidation. To carry an inadequately protected loan for an indefinite period in the vague hope that a rise in values may eventually occur and thus permit the recovery of the debt is incompatible with the bank's responsibility as a trustee for its depositors.

The phrase "to lend money more freely" has, of course, a most encouraging sound but what does it really mean? How could the ease with which money may be borrowed induce a sound business man to purchase a large inventory during a period when prices are falling rapidly and sales are increasingly difficult to make?

From a bank's standpoint the phrase can have only one or the other of two meanings—first, that the chartered banks are denying credit to those whose financial position entitles them to the accommodation for which they ask or, second, that the banks should commence lending to those who up to that time have not been considered sufficiently safe credit risks to justify the granting of loans.

A brief examination of Canadian bank statements in times of depression will make it quite clear that no shortage of resources is preventing loan expansion even if the facilities available under the Finance Act are left out of consideration As a matter of fact, in a depression one difficulty faced by the banks is to find, without taking undue risks, employment for the funds they already have.

Profit Is One Motive

This opens the way to an examination of a bank's operations under the conditions suggested by either meaning of the phrase.

I am quite prepared to admit that the chartered banks in deciding on the policy they should follow are guided to a considerable extent by their desire to operate at a profit. A broad survey of the channels in which a bank's resources can be employed and the rate of income which each is likely to yield should, therefore, be interesting. These channels consist of call loans, investment in securities and commercial (including agricultural) advances. I should class call loans in Canada with commercial loans since implicit reliance cannot be placed, as in the case of call loans in New York, on their liquidation within 24 hours of a demand for payment.

The average call loan rate in New York over the last 12 years was slightly over 5 per cent, an unusually high figure because the period includes two major speculative booms in stock exchange securities. In recent weeks it has not been possible to place money on call in New York at a higher rate than one-half of 1 per cent, a usual development in times of depression. The average yield on Canadian bonds suitable for bank in-

(Continued on page 15)

British Textile Mills Use Oriental Labor for Export

Mr. Bennett Protests to Britain Against Threatened Flood of Textiles from Singapore and India

From Our Own Correspondent

OTTAWA.—Bound up with Premier R. B. Bennett's visit to London is a question of supreme importance to the Canadian textile industry.

Under the Ottawa treaties, the Canadian Government undertook not to impose further arbitrary values for duty purposes upon Empire products. Scarcely had the agreements been ratified when word reached Ottawa that Oriental textile manufacturers were preparing to set up mills in British possessions in the Far East and export to Canada. During the past few days samples of textiles to be produced at Singapore in the near future have been circulated among Canadian importers. These samples are exact copies of textiles put out by Canadian mills, though the laid down price in this country is only a fraction of current prices.

Canada Cannot Compete

By equipping mills at Singapore, Japanese textile manufacturers, can produce textiles under cost conditions with which Canadian mills cannot compete. They use paid Oriental labor whose standards of living are incomparably below prevailing standards of living in Canada. To some extent, Indian textile mills are displaying a similar interest in the Canadian market. It is understood these mills also intend to offer textiles manufactured under conditions of low paid labor and a debased living standard, in the Canadian market. But the Singapore mills are already sufficiently advanced to leave no doubt that deliveries of these textiles will be possible in Canada by March of next year.

The only instrument of government that can prevent the flooding of the Canadian market by these textile producers is the placing of high arbitrary duty values against their products. But, since Singapore and India are parts of the British Empire, the Ottawa treaties, unless revised, do not allow the government to use this form of protection. It is understood that Mr. Bennett is endeavoring while in London to persuade the British Government to agree to a revision of the Anglo-Canadian treaty in this regard. The British Government can act for Singapore, if not for India, and thus make possible the shutting out of textiles from the former if not the latter.

VIAU BISCUIT DEFERS PAYMENT ON PREFERRED

Conserve Cash Position as Price Wars Lower Earnings

From Our Own Correspondent

MONTREAL.—Directors of Viau Biscuit Corp. have taken no dividend action on the company's first preferred stock usually payable in February. Payments on the second preferred stock were suspended in April last.

Deferment of dividends is a reflection of difficult condtions in the biscuit industry resulting from price cutting which continues unabated. Profits are small, sales have tended to decline and it is understood directors are desirous of conserving Viau's cash position.

Preferred Shares Redeemed

At the end of 1931 there was outstanding $1,000,000 of 7 per cent first preferred stock. Early in the year, however, shareholders approved a by-law which enabled the company to purchase the stock in the open market; formerly it was redeemable only at $115. It is understood that the balance sheet at the end of 1932 will show a reduction in preferred stock outstanding as a result of this new by-law.

That earnings during the past year have been curtailed is illustrated by the fact that first preferred dividend requirements total but $70,000. In 1931 these needs were covered nearly twice over; net profits after bond interest and all charges were $132,760.

First preferred stock was issued in 1926; dividends were paid regularly until the recent interruption.

LEATHER FOOTWEAR PRODUCTION HIGHER

October Returns Show Increase Over 1931 Month

Output of leather footwear in Canada for October, 1932, amounted to 1,599,190 pairs, a decrease from the preceding month of 124,012 pairs, but an increase over October, 1931, of 45,046 pairs and over October, 1930, of 46,798 pairs. The chief items contributing to the increases over the corresponding month of 1931 are "cloth, carpet, boudoir and Indian slippers" and "footwear with felt uppers."

For the ten months ended October 31, 1932, the output of the factories amounted to 15,539,820 pairs, or an average per month of 1,553,982 pairs, compared with a total of 15,289,386 pairs and a monthly average of 1,528,939 pairs for the corresponding period of 1931, and a total of 14,898,392 pairs and a monthly average of 1,489,839 pairs for the corresponding ten months of 1930.

The quantity of Canadian made leather footwear exported during the month of October, 1932, was 2,790 pairs, of which the United Kingdom took 972 pairs, the United States, 784 pairs, St. Pierre and Miquelon, 641 pairs, and various other countries the remainder.

Imports of boots and shoes with leather uppers in October, 1932, totalled 44,914 pairs; boots and shoes with canvas uppers 143 pairs, and boots and shoes with felt uppers 22,954 pairs. The value of all imports of footwear (except rubber) in October, 1932, amounted to $82,063, compared with $100,711 in the preceding month and $158,880 in October, 1931.

BUILDING PERMITS DOWN SEASONALLY

November Permits 18.6% Lower Than in October

The aggregate value of the construction represented by the building permits issued by 61 cities during November was $2,505,309. This was a seasonal decline of $570,828 or 18.6 per cent as compared with the October total of $3,076,137, and a reduction of $4,776,808, or 65.6 per cent in comparison with the November, 1931, figure of $7,282,117.

Some 50 out of the 61 cities furnished detailed statistics, showing that they had issued nearly 200 permits for dwellings estimated to cost more than $630,000, and about 1,400 permits for other buildings estimated at almost $1,800,000. In addition, authority was granted for engineering projects valued at $15,122. During October, the erection of about 350 dwellings and 2,000 other buildings was authorized at an estimated cost of approximately $1,400,000 and $1,650,000 respectively.

Nova Scotia and Ontario reported increases of 6.2 per cent and 29.7 per cent respectively, in the value of the building authorized as compared with October. Reductions were indicated in the remaining provinces, that of $679,836, or 52.7 per cent in Quebec being the largest.

As compared with November, 1931, New Brunswick reported an increase, while the greatest decline in this comparison was that of $2,465,396, or 80.2 per cent in Quebec.

Of the four largest centres, Montreal, Winnipeg and Vancouver recorded decreases in the value of the building authorized in November as compared with the preceding month, and also with November of a year ago, while in Toronto, the aggregate value was higher than in the preceding month, but lower than in November of last year. Of the other centres, Moncton, Shawinigan Falls, Kitchener, Oshawa, Port Arthur, St. Thomas and Medicine Hat reported greater values of building authorizations than in either comparison.

B. C. Power Earnings Lower for November

From Our Own Correspondent

MONTREAL.—Further decline in net operating revenues is reported by B. C. Power Corp. for the past month. Gross income in November, 1932, amounted to $1,093,745 and after the payment of operating expenses there remained a net revenue of $358,798. During the same month last year gross income totalled $1,203,588, operating expenses $763,920 and net revenue $439,920.

Cumulative returns for the first five months of the current fiscal year ended November last show a gross income of $5,353,653 compared to $5,928,728 for the same period a year ago. Operating expenses were cut from $3,408,406 to $3,171,980, leaving net income at $2,181,673, as against $2,520,322 for the five months period in 1931.

Economic Wisdom Down the Ages

THE SCRIPTURES

"While the earth remaineth...seed time and harvest shall not cease."—*Genesis 8:22.*

★

CHINA—424 B.C.—2356 YEARS AGO

"...there are two sets of interests, those of producers and those of consumers. But nothing more markedly affects the interests of both sides at once than prices. Therefore, price is the great problem for society as a whole. According to the Confucian theory, the government should level prices by the adjustment of demand and supply, in order to guarantee the cost of the producer and satisfy the wants of the consumer.

"Its chief aim is to destroy all monopoly so that the independent or small producer can be protected on the one side, and the consumer on the other. It prevents the middleman from making large profits, and gives the seller and buyer full gain. It is the task of the superior man to adjust demand and supply so as to keep prices on a level."

—*Dr. Chen—"The Economic Principles of Confucius and His School."*

★

THE PHILOSOPHERS

"That the good things which belong to prosperity are to be wished; but the good things that belong to adversity are to be admired."—*Seneca, quoted by Bacon in "Of Adversity."*

★

These quotations are from the collection of records and sayings throughout history in times of depression and adversity, made by H. G. L. Strange, director of the research department, Searle Grain Company, Winnipeg. More will be published in subsequent issues and readers are asked to send in similar quotations from their own reading of history.

Newfoundland Fisheries At Normal During 1932

Depressed Prices Have Lowered Returns to Producers —Artificial Drying of Cod Planned to Cut Costs and Get Uniform Grades

Activity of the fisheries in Newfoundland has been conducted on a normal scale during the present year. While it is not possible to give an accurate estimate of the results for the next season, which will end June 30, 1933, it is felt that it will show little change from the period ended June 30, 1932.

The fisheries are Newfoundland's most important industry and of the total exports of fish cod comprises about 80 per cent. During the last season, ended June 30, 96,901 quintals of cod were taken on the bank fisheries by 39 vessels. This compares with catches of 95,793 quintals by 44 bankers in 1931 and 86,098 quintals by 62 vessels in 1930. Thus, it is seen that although the number of vessels operated has declined, the catch per boat has increased more than enough to offset this factor.

Returns Reduced

The returns to producers of this raw fish have been reduced substantially by world conditions, particularly low price levels and disturbed markets.

The best indication of the progress of the cod fishing trade in Newfoundland are the exports which are recorded accurately. In the fiscal year ended June 30, the value of exports was $5,029,972 for shipments of 1,111,007 quintals, compared with a valuation of $7,724,830 for exports of 1,147,108 quintals in the 1931 fiscal year. Although the quantity of fish exported fell only slightly, the value of these exports declined by 34.9 per cent.

There has been a fair demand for Newfoundland codfish in the foreign markets. The downward trend of sterling exchange in which most of the codfish payments are met, and the political and financial troubles experienced in Mediterranean countries where the fish finds a market have affected prices adversely. The prices received in terms of Canadian dollars have been poor compared with previous years.

Brazilian Exchange Adverse

Brazil, which is normally the best market for small cod, has been anxious to purchase, but because of foreign exchange restrictions difficulty is experienced in arranging payments. At the present time stocks of codfish remaining in Newfoundland are not heavy, and there is a feeling and a hope in the colony that after the new year prices in foreign markets may improve to some extent.

The following table shows the destination of exports this year to Nov. 30:

Newfoundland Codfish Shipments From St. John's and Outports Jan. 1 to Nov. 30

	1932 Quintals	1931 Quintals
Portugal	168,071	152,166
Spain	163,412	96,294
Italy	85,810	74,748
B. W. I.	40,478	62,231
Brazil	209,441	160,355
Canada	12,964	30,204
England	24,385	22,258
U. S. A.	3,598	9,104
Jamaica	70,764	76,145
Malta	1,681	2,864
Cuba	3,325	6,172
Porto Rico	101,984	93,132
Greece	38,526	82,023
Martinique	9,024	......
Gibraltar	11,000	15,554
	944,458	883,250

An important study in the interests of the Newfoundland fisheries is being conducted by the Government at Bay Bulls in an endeavor to place the curing of cod and other fish on a more uniform basis. This would aid in marketing fish to suit the destination.

Dr. Harold Thompson, director of the Fishery Research Commission, has recently described a plan which has been worked out for such curing. He suggests that there are at present too many varieties of fish and that this condition can be improved by artificial drying. The first stages of drying can best be done in the open by use of the sun, and the later stages carried on in sheds by use of heat from wood or coal fires or electricity. By this method fish could be cured up to a standard, but it will have to be proved practicable in all districts.

Decrease Spoilage

Drying of this kind, it is believed would decrease spoilage from uncertain methods, and would allow later collection of dried fish and what has been treated as refuse. The fish could then be conveniently collected for grading at a central point and the former waste material manufactured into fish meal for poultry and cattle feed. Such feed Dr. Thompson states, greatly increases milk and egg production. It is also thought that the mass treatment of fish would allow Newfoundland to compete for foreign markets at lower prices.

The Research Commission is also studying the problem of improving the qualities of other fisheries products such as caplin, salmon and cod liver oil. The markets and prices for these products are also being studied to determine the best lines of production to follow.

The seal fishery is important to Newfoundland, but after an unsatisfactory season in 1931, the 1932 results were even less agreeable. Only six steamers engaged in the fishery and caught but 48,613 seals, having a net weight of 1,081 tons and a net value of $58,265. This compares with a catch of 87,866 seals in 1931 with a net weight of 1,947 tons and a net value of $121,115. The 1931 catch was taken by eight steamers and two schooners. The prices received this year were $2 per cwt. for old harps and hoods, $2.50 for Bedlamers and $3 for young harps and hoods.

Seals were scattered last spring and so were not caught in such quantity as in other years. In addition to the catch by the boats, shore catch was estimated at about 5,000 seals.

High Grade Cod Oil

The cod liver oil produced in Newfoundland is of the highest quality, and this year will amount to about 300,000 gallons of refined oil and 50,000 gallons of second grade oil for stock and poultry feeding. Prices have been low owing to depressed values in Norway, the chief competitor in this trade.

At the Ottawa Conference, Newfoundland was successful in having a preferential duty of one shilling and four pence a gallon imposed by the United Kingdom on cod liver oil of foreign origin entering that market. This has been ratified by the British Parliament and will come into effect when the Newfoundland Government passes certain reciprocative legislation early in 1933.

The following table indicates the value of cod liver oil to Newfoundland in the last two fiscal years, ended June 30:

Cod Liver Oil Production in Newfoundland Fiscal Years Ended June 30

	Gallons	Value $
Medicinal Cod Liver Oil		
1932	158,588	136,279
1931	118,489	120,922
Cod Oil		
1932	645,488	171,967
1931	928,000	404,074

Dr. Thompson believes that the value of the cod liver oil production can be more than doubled in the next two years. He says that this can be done by fighting for the British market, for which he says the Norwegians will continue to strive even at the low price of 40 cents a gallon to neutralize the duty. He says the world use of cod liver oil is on the increase and that there is possibility of a shortage developing, particularly in the United States.

Cheapness is essential, Dr. Thompson states, and he suggests a price to the producer of 40 to 50 cents a gallon, this to be supplemented by any increase in price received in marketing. He says the success of this branch of the fisheries must depend on scientific development and that care must be taken to produce the oil as well as possible. It is suggested that satisfactory production will necessitate better equipment which could be purchased on the installment plan.

PRESS OF CANADA LARGELY AGAINST C. C. F. MOVEMEN

Daily and Weekly Jour nals Not Sympathetic

POLICIES CRITICIZE

Present Opinions Indicat Little Hope of Support For Woodsworth Party

Editorial comment from all part of Canada is not favorable to th Co-operative Commonwealth Fed eration, more tersely, the C. C. F judging by records compiled b The Financial Post. Of some 3 papers represented in the list, fe proffer sympathy to the movemen

J. S. Woodsworth, M.P. and Mis Agnes McPhail, M.P., who are th parliamentary leaders of the C.C. F. movement, have expressed themselves as favoring "conscription o capital," "inflation of currency, "bloodless revolution' and a "ne social order," and indicate tha they seek to achieve all thes things by constitutional means an through the C.C.F., with which th United Farmers of Ontario recently voted alliance.

Press Support Lacking

Newspapers throughout th country criticize these policies an the leaders of the movement. Whil further collection of opinion ma reveal some press approval of th C.C.F. and its policies, littl indication of such support has appeared up to the present in th daily press. In gathering this information, no opinions in favor o the C.C.F. were omitted.

The Hamilton, Ont., Herald is no in sympathy with papers which oppos the movement, particularly the Toronto Mail and Empire, and says tha "our bloodless revolution is nothin more than another election in whic the people will do to Mr. Bennett wh the people of the United States hav done to Mr. Hoover."

Western Opinions

The Regina, Sask., Daily Star see a danger of bloodshed in the movement. Of Dr. Salem Bland's proposed "peaceful revoultion," it says "That was the attitude that w taken by Mirabeau, but he was followed by Danton and Robespierre an The Terror."

The Calgary, Alta., Herald says "Radicalism born of trying time exists among the farmers of th province as elsewhere, but it is question whether the majority ar prepared to go to the extremes advocated by Messrs. Woodsworth an Irvine." It points out that such policies would make government financing difficult.

The Calgary U.F.A. is optimisti about the C.C.F.'s possibilities an states "the new movement is gainin strength daily . . . In increasin numbers Canadians who have n been associated with either the farm er or labor movements are showin their desire to throw in their lot wit the national movement which aims b peaceful means to bring about radic reconstruction."

The New Westminster, B.C., Britis Columbian sounds a warning note t the sponsors of the movement: "M Woodsworth and his aides . . . ma well pause to consider whether the are not playing with fire. The promise greatly . . . but . . . the may be setting in motion a machin over which presently they may hav not control and which may . . involve the country at large in lamentable consequences."

The Brandon, Man., Sun says: "Th farming farmer in this Dominion i a man of common sense. The linkin of communism, labor and the farme in one socialistic platforming bod for the promotion of J. S. Woodswort to publicity or position is actually to stupid to last long."

Farm Papers Speak

The London, Ont., Farmers' Adv cate says: "The acknowledged leade of the C. C. F., J. S. Woodsworth will make a stronger appeal to Labo than to the rural population for hi past record is, like that of Dr. Salem Bland in Toronto, associated to closely with socialistic groups an with classes that are more ready t wreck than to build."

The Toronto Farmers' Sun sees political opportunity for the movement: "Great masses of the peopl who were untouched by the reform movement of 1921 are today groping for a party, a policy and a leader tha will offer some concrete hope of escape from the evils of the present economic system. If the C.C.F. succeed in giving this leadership, it will mak no mean impact upon the next parliament of Canada."

The St. Catharines, Ont., Standard says: "The fact that a new politica party is not without significance They thrive generally for about on election in Canada, after whic things have a way of shaping themselves and settling down to the status quo."

The Toronto Canadian Countryma suggests that "If the C.C.F. is goin to secure the support of farmers a the next election its leaders will hav to talk common sense and not merely 'twaddle,' as some of them hav been guilty of doing."

In sarcastic vein, the Port Arthur Ont., News-Chronicle says of th Woodsworth-C. C. F. plan, "Sure Let's Have a Boom," in heading it editorial.

The Hanover, Ont., Post states tha the McPhail-C. C. F. policy of infla tion "might benefit the farmer, i would certainly hit strongly at th towns, the provinces and the Dominion" by increasing their foreig exchange burden.

Record Wants "Reason"

The Kitchener, Ont., Record say that Mr. Woodsworth, leader of th C. C. F., is not likely to make man political converts unless he stick more closely to reason," and deprecates his suggestion that wages b doubled.

The Owen Sound, Ont., Sun-Time says: "If the C. C. F. just gives t this man . . . sufficient rope, he i almost certain to hang himself. It i one thing to tear down, but it i another to build up, which Mr. Woodsworth will find out before he goe very far with . . . the C. C. F."

"Rusticus," in the Stratford, Ont Beacon-Herald, writes: "The intelligent farmer . . . certainly canno affiliate himself with any radica organization. The farmer who own or hopes to own his land and hi home will hardly welcome socialisti ideas. He is a small capitalist, an he is the one who today has no organization to speak for him. The U. F. O has miserably failed us."

The Toronto Mail and Empire agrees with this opinion: "The ma on the land has a real stake in th country, and he is not likely to ris that stake at the behest of wild-eye

(Continued on page 15)

DIVIDEND NOTICES

Provincial Paper Limited

Notice is hereby given that Regu- r Quarterly Dividend of 1¾% on referred Stock has been declared y PROVINCIAL PAPER LIM- TED, payable January 3rd, 1933, shareholders of record as at ose of business December 15th, 32.

W. S. BARBER,
Secretary-Treasurer.

EORGE WESTON, LIMITED

Common Dividend Number 12

Notice is hereby given that a quar- rly dividend (No. 12) of twenty- ve cents per share on the no par lue Common Capital Stock of this ompany (being at the yearly rate of ne Dollar per share) has been de- ared for the quarter ending 31st ecember, 1932. This dividend is pay- le on and after 3rd January, 1933, Common Shareholders of record at e close of business on the 20th day December, 1932.

CHARLES W. KERR,
Secretary.
oronto, 13th December, 1932.

General Trust of Canada

Dividend No. 15

A dividend of 1½%, being at the te of 6% per annum, for the quar- r ending December 31st, 1932, on e preference stock of the Com- ny, has been declared, payable anuary 3rd, 1933, to shareholders record on December 24th, 1932.

RENE MORIN,
General Manager.
ontreal, Dec. 16th, 1932.

Canada Bud Breweries Limited

Dividend No. 13

Notice is hereby given that a quar- rly dividend of twenty-five cents 5c) per share on the no par value ommon Stock of Canada Bud Brew- ies Limited, being at the rate of .00 per share per annum has been clared payable on the 16th day of anuary, 1933, to shareholders of cord at the close of business on st of December, 1932.

By Order of the Board of Directors.

E. J. KAY,
Secretary-Treasurer.
oronto, 14th December, 1932.

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of FIFTY CENTS (50c) r share has been declared on the o Par Value Shares of this Com- ny for the Quarter ending 31st anuary, 1933, payable 15th February, 33, to Shareholders of record at the ose of business on the 31st January, 33; and a Dividend of FIFTY ENTS (50c) per share for the Quar- r ending 30th April, 1933, payable th May, 1933, to Shareholders of cord at the close of business on e 29th April, 1933.

By Order of the Board.

F. W. EVENS,
Secretary.
ontreal, Que.,
th December, 1932.

The Real Estate Loan Company of Canada, Limited

Notice is hereby given that a vidend at the rate of three and e-half per cent has been declared pon the Capital Stock of the Com- ny, and that the same will be yable at the Offices of the Com- ny on and after 2nd January, 33, to Shareholders of Record of th December, 1932.

By order of the Board.

H. W. MICKLE,
Managing Director.
oronto, 7th December, 1932.

Distribution No. 4

First All-Canadian Trustee Shares

ORDINARY

Coupon No. 4 attached to certificates for the above shares will be paid at par in the amount of Thirty Cents (30c) per share on and after December 31st, 1932, on presentation at the Offices of Capital Trust Corporation, Limited, Trustee, in Montreal, Toronto and Ottawa.

This Distribution includes all dividends paid on the stocks underlying First All-Canadian Trustee Shares during the six months beginning June 21, 1932, and ending December 21, 1932, any dividends declared on the underlying stocks for the period ending December 31st and awaiting payment not being included.

MONTREAL DEPOSITOR CORPORATION
Depositor
Dec. 21/32.

Imperial Bank of Canada

DIVIDEND NO. 170

Notice is hereby given that a Dividend of two and one-half per cent. (2½%) upon the paid-up Capital Stock of this Bank has been declared for the quarter ending January 31st, 1933, payable at the Head Office and Branches on and after Wednesday, the First day of February next, to shareholders of record of December 31st, 1932.

By order of the Board.

A. E. PHIPPS,
General Manager.
Toronto, December 14th, 1932

Retail Trade in Granby

There were 121 retail stores in ranby, Que., in 1930, with 214 em- loyees, payroll $189,800 and sales of 2,112,900. There were 37 service es- blishments with $134,000 receipts. orty-seven stores in the food group ad sales of $592,500 and 12 auto- otive $398,400. Of the 121 retail ores 107 were single independents. ensus population 10,587.

NOTICES

The Canadian Bank of Commerce

The annual meeting of the shareholders of this Bank for the election of Directors and for other business will be held at its banking house, No. 25 King Street, West, Toronto, on Tuesday, the 10th day of January next. The chair will be taken at 12 o'clock noon.

By order of the Board.

S. H. LOGAN,
General Manager.
Toronto, 18th November, 1932.

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, 25th January, 1933, at twelve o'clock noon.

By Order of the Board.

C. A. BOGERT,
General Manager.
Toronto, 15th December, 1932.

The Bank of Nova Scotia

Notice is hereby given that the Annual General Meeting of the Shareholders of this Bank will be held in the Banking House, Hollis and Prince Streets, Halifax, on Wednesday, the 25th January next, at eleven o'clock, a.m., for the purpose of receiving a statement of the affairs of the Bank, for the election of Directors and for other business.

By order of the Board.

J. A. McLEOD,
General Manager.
Halifax, N.S., December 15, 1932.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1932, making a total distribution of eleven per cent for the current year — the Dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 3rd day of January, 1933, to shareholders of record of the 20th December, 1932.

By Order of the Board.

C. A. Bogert,
General Manager.
Toronto, 17th November, 1932.

National Steel Car Corporation Limited

Notice of Dividend

Notice is hereby given that a dividend of twenty cents (20c) per share has been declared, payable January 2nd, 1933, to shareholders of record at the close of business December 22nd, 1932.

By order of the Board.

CHAS. W. ADAM,
Secretary.
Hamilton, Ontario,
December 14th, 1932.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of Three per cent, being at the rate of Twelve per cent per annum, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on and after

2nd January, 1933,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE,
Manager.

66th Quarterly Dividend

Notice is hereby given that a dividend of Thirty-eight Cents per share (being at the rate of One Dollar and Fifty Cents per annum) on the NEW no-par-value Common Shares of the Company presently issued and paid-up for Quarter ending December 31st, 1932, has this day been declared to shareholders of record, December 31st, 1932, on the Montreal and London, England, registers.

Dividend cheques will be mailed to registered shareholders January 31st, 1933.

By Order of the Board,

G. R. WHATLEY,
Secretary.
Montreal, December 19th, 1932.

Montreal Light Heat & Power
CONSOLIDATED

Owned by 60,000 shareholders, Montreal Light Heat & Power comprises the largest group of customer-owners possessed by any public utility company in Canada

CANADIAN GENERAL INVESTMENTS LIMITED

Dividend Notice

NOTICE is hereby given that a dividend of Ten Cents (10c) per share on the paid-up capital stock of the Company has been declared for the quarter ending December 31st, 1932, payable January 2nd, 1933, to shareholders of record December 15, 1932.

SHARE WARRANT holders will present Coupon No. 18 at the Main Office of the Bank of Montreal in Victoria, Vancouver, Calgary, Winnipeg, Montreal, Halifax, St. John or at the King and Yonge Streets Branch, Toronto, where payment will be made at par.

By Order of the Board.

E. M. STRAIN,
Secretary.

COSGRAVE BREW. EARNINGS DOWN; HOLDS POSITION

Mortgage is Reduced by $24,000—Shares Earned 7 Cents

Reflecting the general decrease in consumption of beer during the past year, sales and earnings of Cosgraves Export Brewery Co. were lower in the year ended October 31, 1932. Net earnings dropped to $25,591 from $68,023 the preceding year and, after smaller provision for depreciation and mortgage interest, net profit was down to $7,258 from $43,291. This was equal to seven cents per share as against 43 cents per share in 1931.

Sales of the company are understood to have been maintained at a higher level than were sales for the province as a whole. The company is engaged in the brewing and bottling of Scotch ale, pale ale, lager beer, half and half and convalescent stout. Sales are made through stores of the Ontario Liquor Control Board and brewers' warehouses.

Income and surplus account for the past two years is as follows:

Income and Surplus Account
Years Ending Oct. 31

	1932 $	1931 $
Net earnings	*25,591	68,023
Less: Depreciation	15,409	16,936
Mortgage int.	2,924	4,637
Income taxes	....	3,159
Net profit & surp.	7,258	43,291
Add: Prev. surplus	96,895	53,604
Balance forward	104,153	96,895

*Includes $60 income from investments.

Reduction of some $16,000 is shown in working capital position as funds have been applied to reducing a mortgage. Cash is down to $13,705 from $31,798; accounts receivable are up to $16,187 from $14,691; inventories of beer, malt, hops, etc., is $63,859 and inventory of barrels, cases, etc., is $25,142. Cash surrender value of life insurance is up to $5,955 from $4,500 but is not included in current assets. Current liabilities consist entirely of accounts and bills payable amounting to $26,552. Working capital position is as follows:

Working Capital

	1932 $	1931 $
Current assets	118,892	136,766
Current liabilities	26,551	28,541
Working capital	92,341	108,225
Ratio	4.47—1	4.79—1

Fixed assets remain practically unchanged with plant and equipment valued at $403,138, buildings at $250,593, land at $93,900. Goodwill, trademarks, etc., are valued at $282,717. Mortgage payable has been reduced to $31,000 from $55,000. There remain outstanding 100,000 shares of $10 par value common stock.

HARDWARE ACTIVE ON XMAS DEMAND

Gift Buyers Purchasing Useful Articles This Year

Brisk sales of most hardware gift lines are reported in retail stores this week. Early business in Christmas lines was not very extensive this year, and stores appear to be busy in this last period of buying. Useful gifts, as sold by the hardware retailer, are receiving attention from most purchasers whose spending capacity has been curtailed this year.

Retail displays are featuring winter sporting goods, table cutlery, etc. Jobbers report that there has been a good demand for Christmas tree lighting sets and colored lamps, states Hardware and Metal, Toronto. One manufacturer of wheel goods reports that his stock of a certain two-wheeled children's bicycle was entirely cleaned out at the beginning of the week.

A number of last-minute rush orders are coming in to wholesale warehouses, as dealers find themselves short in gift lines. Retail purchases of seasonable hardware commodities, such as snow shovels, anti-freeze, weatherstrip, etc., are temporarily slower, as more attention is given to gift purchases, and the weather has become milder in certain territories.

Booking of spring goods is also lighter this week. Preparations for the taking of stock are being made in wholesale warehouses and retail stores, so that this work can proceed after the festive season is over.

$48,577,386 in Bullion Exported in 12 Months

During the twelve months ending October the export of gold bullion to the United States amounted to $48,577,386 compared with $23,219,466 in the previous twelve months, Canadian gold coin $500 compared with $920 and Canadian silver coin $92,842 compared with $55. The exports of bullion were comprised of Canadian produced gold.

In addition there were exported to the United States in the twelve months ending October foreign gold coin to the value of $10,771,629 compared with $52,232,658 in the previous twelve months. Presumably this was practically all United States gold coinage. The foreign silver coin exported to the United States was valued at $1,275,138 compared with $18,099 in the previous twelve months. The exports of gold coinage were from stocks which had been accumulated in previous years.

The importation of gold coin from the United States in the last twelve months was $964,369 compared with $15,646,189 in the previous twelve

Hon. E. L. Patenaude Elected Chairman Provincial Bank

From Our Own Correspondent

MONTREAL.—Hon. E. L. Patenaude, K.C., P.C., has been elected chairman of the Board of Commissioner-Censors of the Provincial Bank of Canada in succession to the late Hon. Narcisse Perodeau.

Other changes made in the executive include the election of Hon. Cyrille F. Delage, superintendent of Public Instruction in the Province of Quebec, to vice-president. Louis Cote, K.C., of Ottawa, has also been elected to the Board of Commissioner-Censors.

MACHINE JEREMIAHS SEE NEARING DOOM OF CAPITAL SYSTEM

(Continued from page 1)

neers as the one now clamoring for attention. The principles of economics should enter into their calculations increasingly and into those of the financier and business man.

That the present troubles represent simply a recurring phase was the idea expressed last February by S. G. Porter, retiring president of Engineering Institute of Canada when in convention at Toronto. But he insisted more strongly that there should be no backward step, that the spirit of this scientific age demanded that we should build on the progress already made and not tear it down. He pointed out that the problems of the industrial revolution 150 years ago were not solved by discarding the machines responsible for bringing it about and he said that present troubles cannot be ended by reverting to the methods and processes of a generation ago.

These moderate and reasoned statements of the situation and many balanced articles in the technical press did not arouse public attention. It remained for a group of engineers giving themselves a trade name of "Technocracy" to give a new background to known facts by startling predictions, said to be based on an alleged new mathematics. This new mathematics was said to involve a new method of social measurement obtained by the integration of all physical science as it pertains to social phenomena. This new method is referred to as the "theory of energy determinants," the idea being that energy whether from coal, oil, water, electricity, is the one unfailing never-varying element in industry that can be measured in units whereas the dollar or any monetary unit is of fluctuating value and must pass out of the picture as no longer adequate for the modern world.

Predictions Not Authoritative

Ex-Governor Alfred E. Smith shares the honor of waking up the average man to the situation by allowing sensational articles describing the conclusions of "Technocracy" to be published in his magazine "New Outlook." Before the average man should allow himself to get too excited over these conclusions and especially over the prediction that chaos will arrive in 1934, however, it would be well for him to know that these conclusions of "Technocracy" are not authoritative, that the mathematics for which so much has been claimed has not been submitted to the inspection of the engineering professions as a whole, and that Howard Scott, described as having degrees from a great German university and as engineer and technician for the Muscle Shoals project, has no such degrees and occupied a very subordinate position as an inefficient workman in a cement-pouring gang of that great project.

A New York Herald-Tribune article by Allen Raymond says also that Scott was connected with the I. W. W. in the 20's and was accused of war-time sabotage when at Muscle Shoals by a superintendent of the gang in which he was working. Raymond says the conclusions of technocracy "are couched in a pseudo-scientific jargon which may or may not make sense and the investigator will do well to walk warily, lest he be trapped into the position of a dupe, or regrettably malign a great man."

Now that the subject is in the open, every well-informed man will want to know what the general conclusions of Technocracy are and what the repercussions are among other engineers. The fact that Scott may have been a doctrinaire rebel against the capitalistic system does not necessarily invalidate his remarks although it makes extreme caution necessary. The reports about his inefficiency may be wrong as The Financial Post is informed that Scott did a particularly good job in building the Lindsay arsenal during the war and that there he showed considerable organizing ability. Perhaps it isn't the same Scott but Lindsay people think so, and this even though Scott denies that he was ever in Canada during the war.

Machine Age Advances

Scott's conclusion that vast technological forces have been steadily undermining "the present haphazard industrial system of uncontrolled production, competition, and distribution," is supported by startling statistics. He says, for instance, that the ancient miller of Athens or Rome ground out in a day between his two crude milling stones a barrel to a barrel and a half of indifferent flour while the modern flour mill in Minneapolis produces 30,000 barrels a day per man of a much better flour in a much shorter day.

A shoemaker of ancient Rome took five and a half days to make a pair of shoes. In the modern shoe plant for the same time production is at the rate of 83 shoes to each individual employee.

For 5,000 years brickmakers made on the average 450 bricks a day per man, the day being 10 hours. A modern straight line continuous brick plant will produce 400,000 bricks daily per man. This is denied by brick-makers who say that the most efficient plants in the United States cannot produce more than 2,000 bricks per man employed.

One hundred years ago in the United States one man produced 25 tons of pig iron each year while it took another man a year to produce 800 tons of iron ore. On the Mesabi Range in 1929, iron ore was mined at the rate of 20,000 tons per man per year while modern blast furnace technique makes it possible for one man to produce 4,000 tons of pig iron per annum. A photograph of a modern steel rolling mill in full operation will show a large plant without a human being on the floor.

Say Price System Doomed

On the basis of statements such as these the engineers referred to state that the United States is faced with the threat of national bankruptcy and perhaps general chaos within eighteen months.

These engineers insist that the fundamental cause of the depression is not political but technological. They claim that a new era of technology is the only solution to the difficulty, that man "must master the gigantic machine which has brought us to the close of the most fantastic period in the history of our small world." Our present system, they tell us, is only fit for the Museum but they say as well that fascism, communism and socialism would likewise be inadequate to cope with the problem.

Abandon Price System

Their conclusion is that the price system must be abandoned. Under the present price system, they state, the requirements to cut internal costs to the minimum result in increasing mechanization and a tendency to ever-decreasing man hours of employment. For example, machines were recently installed to produce from 2,500 to 2,600 cigarettes a minute compared with the previous maximum of 500 to 600 cigarettes a minute. The tobacco company using these machines cuts production costs markedly but permanently eliminates employment as well. Incandescent lamp manufacturers, they state, have one man doing today in one hour as much as it took a man a thousand hours to do only as short a time past as 1914. Yet it required only six weeks for a force of 37 men to build this high speed machine.

Equipment Obsolete

If the factories were all to run at 1929 production schedules, the engineers state there would not be room for more than half of the 14,000,000 unemployed in the United States. They charge that a large proportion of present factory equipment is obsolete, ready to be scrapped for something more efficient.

They claim that 100 men in modern plants working steadily could produce all the brick the United States needs. That one man working one hour on pig iron production can do what it took him 650 hours to accomplish 50 years ago, that one man in one hour could in agriculture do in 1929 what it took a man 3,000 hours to accomplish in 1840 and that in a Milwaukee plant with its daily output capacity of 10,000 automobile chassis frames and 34 miles of pipe line all this can be done with a total of 208 men in the plant. One man riding in the control cab can do all of the loading on freight cars which are shunted up to the siding of this factory.

New Order Recommended

For 7,000 years of social history there was no change in the rate of doing work. The human machine averaged under 200 pounds of weight and was capable of an output of one-tenth h.p. unit per eight hour day. Within a century we have multiplied the original output rate of the human engine by 9,000,000 as expressed in modern energy transversion units. Of these 8,766,000 units, or nearly all, have come within the last 30 years. The ancient political system is hopelessly incompetent to furnish the regular and exacting technical control necessary to save the highly powered industrial system from collapse. The rate of replacement of men by machines has exceeded the rate of expansion of industry.

In the course of conclusions on the present situation Mr. Scott says, "All social problems of North America today are technological. They have moved up to where they can be dealt with only in a continental order of magnitude. We can no longer deal with the lack of purchasing power or unemployment, or debt, by individual establishments or businesses. They can be dealt with only as parts of our industrial complex in a continental order of magnitude. Any political or economic attempt to deal with the problems that are arising on this continent will of necessity be only palliative and temporary expedients to final gestures of restraint to blockade the incomings of a new technological order."

The answer to all this, says Technocracy in the second of the series of articles referred to is contained in recognition of the following:

"Man, in his age long struggle for leisure and the elimination of toil, has finally arrived at that position where, for the first time, this goal is not only possible but probable."

Advocates 660 Hour Year

In breaking down this conclusion to the specific level of the nation in which 122,000,000 Americans live, he states that it is now necessary to the adult population, ages 25 to 45, to work but 660 hours per year per individual to produce a standard of living for the entire population 10 times above the average income of 1929. The four hour day and four day week, he says, would give every one a much higher standard of living than the nation has ever known. The idea would have been fantastic fifty years ago and not possible even ten years ago. The really big technological mechanism that makes entire industries automatic has changed the whole face of the social complex. It is claimed that it has rendered political systems useless, sounded the death knell of old methods of exchange and killed permanently the necessity for private enterprises and savings.

Applying to Russia the theory of energy determinants, which is described as a new method of social measurement obtained by the integration of all physical science as it pertains to social phenomena, the engineers say that country does not help to solve the question. It was forced to call upon the outside world for technological assistance to set up in Russia obsolescent factories from an obsolescent price system.

Poor England!!!

England, with only one energy source left, coal, is going farther and farther down each year and its inevitable position in the next most probable energy state will be two islands off the European continent, Scott says. He says it squandered its original resources of copper, iron ore, tin and coal, on world trade and debt creation until today "it is fast retrogressing from its energy position of easily available energy to where it finds itself on a toboggan slide toward its original geographic position."

With a high population density, without sufficient land resources to feed its own people and with its life blood dependent upon one energy source, and that a declining one, he believes England will soon be compelled to "make a free gift of its surplus 35,000,000 population to its various colonial possessions." Among the futile gestures which will probably be made will be the complete abandonment of monetary currency and current banking credit and stringent preferential tariffs and purchasing agreements to lessen the disparity which exists in its international balance of world trade. The United Kingdom, he thinks, is fast disappearing from the scene and is helpless in the face of dissipated energy resources and technology.

North America Has Great Chance

Scott finds fascist Italy in much the same situation. He finds Asia hopeless as far as a high energy civilization is concerned because it has not the resources available. He claims that the idea of bringing the Chinese up to United States standards of living is silly because if China reached American standards she would have to consume over 4,000,000,000 barrels of oil per year, 120,000,000,000 tin cans a year and about 2,000,000,000 tons of coal, that is, take more coal out of the ground than is actually there. He finds no ground in Australia for expecting further development. South America is greatly lacking in many essential resources. Europe, if combined into one unified energy state, could obtain a high standard of living for all the people, but language and nationalism present almost insurmountable barriers at present. Japan is attempting to operate a highly mechanized society under great handicaps and is reaching out to Manchuria for aid, but there is little there to help her.

Providential Set-up

But in North America he finds the providential, geologic set-up, trained personnel and installed physical equipment. He says that the political boundaries on the north and south of the United States have no real significance when placed in the light of energy. He says that North America could barricade itself from the rest of the world and provide a large population with a higher standard of living than it has ever known. There is not a single major resource lacking.

To show how far recovery is away on present basis, the author illustrates his thesis by saying that the technologist can easily produce a blade with tungsten carbide edge on a steel wafer base at just 20 per cent additional cost of a blade today but the blade would last a lifetime and longer. The plants would have to step down almost immediately as soon as all users had once been supplied. He does not refer to the undoubted fact that razors were life-time affairs before the coming of the safety blade and yet makers flourished.

Similar stories are published to show how the building trades will be eliminated, the shoe factories made unnecessary except for one vast plant, cotton, wool and wood pulp made largely superfluous by the development on a large scale of a fibrous nettle plant called ramie, the automobile industry given short life because of a new car preparing which will last 350,000 miles without a general overhauling and the road industry be revolutionized by a machine that will tear up old roads and lay new ones at the rate of eight miles daily with only six men operating every 24 hours on shifts.

New Mathematics Makes Mistakes

John H. Van Deventer, editor of the Iron Age, picks many flaws in the articles in the New Outlook. In contravention of the first statement that in pig iron production one man working one hour could do in 1929 what it took him 650 hours to accomplish 50 years ago, he points out that 24,950 workers were employed to produce 42,613,983 tons of pig iron, or 1,710 tons per worker, in 1929. According to Technocracy's statement one worker in 1879 could have produced a little less than 3 tons per annum, but as a matter of fact in 1879 there was produced in the United States 3,070,875 tons of pig iron by 41,695 workers or 73.7 tons against 1,710 in 1929. In other words productivity in pig iron increased 23.2 times in 50 years instead of 650 times. As for the statement about modern steel rolling mills operating without a human being on the floor Mr. Van Deventer quotes figures that show that in 1879 there were 24 workers employed in the United States in steel works and rolling mills to each 10,000 of population. In 1909 there were 26 persons so employed per 10,000 population and in 1929 32 persons per 10,000 of population.

Puts Men to Work

With reference to Technocracy's statement about agriculture Mr. Van Deventer states that the generalization is ridiculous inasmuch as agriculture has experienced less mechanization than any other of man's activities. He also asks, "Is it not obvious to the group that the greatest constructive force, the force that has built all progress and determined its rate, cannot be defined or measured in ergs, horse power, kilowatts or man-hours? I refer to the force exercised by creative ideas, forces that can put and have put millions of men to work in industries where no one worked before."

Far from seeing technological development as a devouring monster Mr. Van Deventer feels that it has aided to create employment by speeding up the rate at which new ideas can be put to work.

Forty years ago when the electric motor was being introduced to sceptical industry, when the word mass production had not yet been uttered, there were 69 human workers per 1,000 of population employed in all of our manufacturing industries. In 1929, after 40 years of extensive mechanization, electrification, organization and automatization, there were 72½ workers per 1,000 of population in these same manufacturing industries. In 1900 there were 383 breadwinners in the United States for each 1,000 of population, in 1930 there were 398 breadwinners for 1,000 of population or a net gain of 15 workers per 1,000 of population during the 30 year period.

Should Develop Mass Consumption

Mr. Van Deventer's idea is that the machine has opened more employment doors than it has closed but its continued success as a generator of prosperity depends on the cultivation of mass consumption as well as mass production. This literally means financing the ultimate consumer through adequate wages and dividends so that he can buy what the machine can make. The time saving of mechanization, vastly more important to humanity than dollar savings, is thus passed along to the ultimate consumer, the public. The value of the hour and the minute is constantly increasing whereas the value of the dollar has its ups and downs. The match, a product of mechanization, displaced the flint, not because it is cheap but because it saves time in lighting fires. The automobile made the horse and buggy obsolete because it saves people's time in going places. Time savings open more new markets and keep more old ones going than dollar bargains. If machines had displaced men, one would find machines busy and men idle. The reverse is more nearly true. While there is a drop of 20 per cent in employment of men there is a drop of 50 per cent in use of production equipment in United States.

Must Find Work For All

Mr. Van Deventer does not believe that the present phase of downward wages and salary adjustments is anything but a temporary and abnormal one compelled by the same maladjustments that have thrown employment out of joint. The adjustment of the machine to mankind must be a gradual one. No one man is big enough to prepare and suggest a practical immediate remedy. But it is being prepared. First and foremost there is the general recognition on the part of capital and management which has become evident during the depression, that, while the world may not owe any man a living, a civilized world owes every man willing to continue to work the chance to do so.

There is increasing recognition on the part of capital and management that their material welfare and profits are directly related to the welfare and income of the average man and that therefore it is better to distribute more, if possible, in the way of wages and dividends. Then, too, there is growing interest in the elimination of speculation, graft and the curtailment of government expenditures and in the principles of economics.

Montreal Tramways Traffic Declines

From Our Own Correspondent

MONTREAL. — Approximate decrease of 20,000,000 passengers, or about 10 per cent, is reported by the Montreal Tramways Co. since the beginning of the year. The number of passengers carried up to the middle of this month has been 181,566,000, in comparison with 202,663,000 for the same period of last year.

Last year 19,740,000 passengers used the bus service from January 1 to December 15, but in the same period this year 20,452,000 passengers were carried, an increase of about 710,000, or almost 4 per cent.

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Your Investments

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Largest Vinegar Producer Has Record of Stability

Canada Vinegars Ltd. Operates 13 Plants From Quebec to British Columbia; Filling the Housewife's Jug is Most Important Market

Controlling the major part of the vinegar production of Canada, Canada Vinegars Ltd. has had a consistent record of earnings since the company was formed in 1928 and publicly financed. The history of the company, which extends back to a merger of six companies in 1898 has been one of extension through acquiring various vinegar plants throughout the country until, at the present time, the company controls 13 plants located in each province from Quebec to British Columbia.

The business done by the company is largely in the domestic market although some export business is done and warehouses are located in New York and Chicago, Consumption of vinegar for domestic purposes provides the chief outlet for the company's products but canning companies are also large customers. With five plants in Ontario, three in Quebec, two in Manitoba and one each in Alberta, Saskatchewan and British Columbia, the company can distribute its products easily to all parts of Canada.

Competition, a factor in any industry, is not lacking in the manufacture of vinegar but the company has been able so far to maintain its leading position in the industry. As working capital position has been improved from year to year the company is in a stronger competitive position than ever.

With a simple capitalization consisting of only 92,000 no par value common shares outstanding of an authorized issue of 100,000 shares, and no funded debt, the company has paid dividends at the rate of $1.60 per year since the initial distribution paid in September, 1928. Earnings in 1931 amounted to $1.83 per share and in 1930, $1,82 per share. The fiscal year ends November 30 and the annual report appears early in January. The forthcoming annual statement is expected to show dividends earned in the year just ended although prices were lower than in 1931. The stock is listed on the Toronto Curb Exchange.

The western plants of the company are operated by Western Vinegars Ltd., which is practically owned outright by the parent company. In 1929, this subsidiary acquired the Pioneer Vinegar Co., of Edmonton, and the Premier Vinegar Co., of Vancouver. In each year since 1928 the investment in fixed assets has been increased due to plant extensions and acquisitions. The balance sheet of the company also shows a steady strengthening of the cash position while accounts receivable and inventories have been reduced.

The balance sheet of the company for the past four years of record is as follows:

CONSOLIDATED BALANCE SHEET AS AT NOVEMBER 30

Assets	1931	1930	1929	1928
	$	$	$	$
Current:				
Cash on hand and in banks	39,188	48,237	9,251	49,525
Dominion of Canada bonds, par	55,000	......	......	......
Accounts deceivable, less reserve	54,199	63,372	71,181	77,789
Inventories	275,736	281,262	306,459	255,041
	424,123	392,871	386,891	382,355
Mortgages rec. and accr. interest	......	37,230	39,082	40,655
Fixed:				
Land, bldgs., plant & equip., at cost	1,520,644	1,371,038	1,366,642	1,282,814
Goodwill	1	1	1	1
	1,944,768	1,801,140	1,792,616	1,705,835
Liabilities				
Current:				
Accounts payable	25,397	27,077	33,464	29,397
Liab. to customers for containers returned	27,608	34,166	35,610	43,222
Prov. for containers returnable	25,500	19,000	23,500	28,000
Income tax reserve	20,000	12,400	14,800	17,932
Accr. divds. on pref. shares of Western Vinegars Limited not owned	6,249	2,170	2,170	......
	104,754	94,813	109,544	118,551
Mtges. payable (Vancouver and Edmonton) and accrued interest	25,493	33,507	80,001	69,863
Book value of cap. stock of Western Vinegars Ltd., not owned	93,961	31,009	31,079	31,052
Reserve for depreciation	197,594	140,320	91,204	42,938
Capital stock:				
Common	1,322,503	1,322,503	1,322,503	1,322,503
Surplus	200,463	178,988	158,285	120,928
	1,944,768	1,801,140	1,792,616	1,705,835
WORKING CAPITAL				
Current assets	424,123	392,871	386,891	382,355
Current liabilities	104,754	94,813	109,544	118,551
Working capital	319,369	298,058	277,347	263,804
Ratio	4.05—1	4.14—1	3.53—1	3.22—1

In 1931 net earnings of the company showed an increase of over $19,000 as compared with net earnings in 1930 but charges for depreciation and for income tax were higher and after payment of dividends surplus was increased by $21,475 as against $20,703 in 1930. Here again is evidence of stability in spite of the serious handicaps under which other industries were laboring in the same period. The consolidated income and surplus account of the company for the last three fiscal years of record is as follows:

CONSOLIDATED INCOME & SURPLUS ACCOUNT, YEARS ENDED NOV. 30

	1931	1930	1929
	$	$	$
Net earnings*	251,390	232,588	249,363
Less: Depreciation	58,585	49,974	48,747
Income tax reserve	20,000	12,541	13,862
Dividends accrued on pref. shares and prop. of profit accruing to common shares of Western Vinegars Limited not owned by Canada Vinegars	4,130	2,170	2,197
Net profit	168,675	167,903	184,557
Less: appropriations:			
Dividends	147,200	147,200	147,200
Surplus for year	21,475	20,703	37,357
Add: Previous surplus	178,988	158,285	120,928
Balance carried forward	200,463	178,988	158,285
Earnings per Share and Dividend Record:			
Common: Earned	$1.83	$1.82	$2.01
Paid	1.60	1.60	1.60
Equity per Share†	$16.55	$16.32	$16.10

*After all costs of operation, management, selling and office overhead expenses.

†Based on total assets less goodwill, current liabilities, mortgages payable, book value of shares not owned and reserve for depreciation.

Claude Neon

Amongst my holdings are some preferred shares of Claude Neon General Advertising Co. Can you tell me how this company is getting on? Have dividends been paid on the common and is the stock listed?

Dividends on the $2,355,900 of 7 per cent preferred stock of Claude Neon General Advertising Ltd. were deferred in August last and no disbursement has ever been made on the 424,522 shares of no par common. The shares are not listed on any Canadian Exchange but the common is listed on the New York Produce Exchange.

Though the company's main business is devoted to the manufacture and rental of electric signs, speculative interest attaches to its development of domestic and commercial lighting. Considerable research work has been undertaken in the latter division and it is possible that the future may bring a wider business in this phase of the company's activity.

The company has not yet established a proven earning power through its Dominion-wide scope, but its dominant position in the sign business is a factor to be considered in viewing the future.

F. N. Burt Dividends

What are the prospects for continued payment of dividends on F. N. Burt Co. common stock?

Total dividend payments by F. N. Burt Company in 1932 were $2.70 a share as compared with $3 a share in 1931. In other words, the quarterly dividend payment was reduced from 75c. a share to 60c. a share with the July 2 payment. The company is financially strong, capably managed and has maintained its business level quite well in view of the pressure of present business conditions of companies in this line. Such dividends as are paid are more valuable in Canada because they are paid in United States funds and the Canadian holder of shares is able to collect a premium on Canadian funds. Officials of the company state that they had noticed an "appreciable" increase in demand for products of the company during August, September, October and November, but it has not been sufficient to have any effect on net earnings. In fact, the total volume, as measured in dollars, for 1932 is apt to be less than in 1931. The $3 dividend was not quite earned in 1931 and it may prove that the $2.70 a share paid in 1932 has not been altogether earned. The company has not weakened itself materially, however, by paying dividends, and it will doubtless keep a very close relation between dividends paid and dividends earned. An improvement in business in the United States would be a great advantage to the company.

Shawinigan

I bought some shares of Shawinigan at levels approximating those of today. Would you be good enough to let me have your opinion of this stock? Do you see any likelihood of an early improvement in the company's affairs?

Though restricted industrial activity in the territory served has found reflection in the situation surrounding Shawinigan Water and Power Co., difficulties experienced by newsprint companies are the biggest problem with which the company has to contend. About 40 per cent of Shawinigan's output is sold to newsprint mills. Efforts have been made to revise some of the existing newsprint contracts for power; Donnacona for example has entered a new contract. Formerly the company took 17,000 horsepower; now it buys power as needed. In return Shawinigan received several small distributing systems controlled by Donnacona. Again, Shawinigan has been active in installing steam electric boilers which have proved an important outlet for a proportion of the company's power output.

On the other hand the company has felt some betterment in recent months. Its chemical units are working near capacity on a large order which will keep them busy for several months. October earnings were at a better level as the full effects of power sold for steam boilers is beginning to be felt.

Premium on U. S. funds continues to make demands on profits which might be applicable to common shareholders. So long as the company has to pay a high premium on bond interest payments, common share earnings are likely to remain restricted.

Ogilvy Realty

Will you be good enough to let me know the security back of the bonds issued by Ogilvie Realty Corp.? Does the company publish a financial statement?

James A. Ogilvy's, whose store constitutes security behind the first mortgage bonds of Ogilvy Realty Corp. has a long record of operation. In the past few years the business has been reorganized and the store property rehabilitated. Revenue of Ogilvy Realty Corp. is derived from a 20 year lease of the property to the store at an annual rental sufficient to pay bond interest, sinking fund, and other charges. The annual rental constitutes an operating charge on the store, while in addition, rental insurance in an amount equal to the annual payment is carried, payable to the trustees of the bonds. No financial statement is published.

McColl-Frontenac

Please let me have your views of the McColl-Frontenac Oil Co. bonds. Have you any word as to how the company is getting along this year?

Earnings of McColl-Frontenac have been maintained during the current year. Sales of fuel for industrial purposes have tended to decline but the sales of gasoline have shown an increase. The company continues a policy of expansion and now ranks among the leaders in the industry. There is a fairly active market for the bonds and interest requirements during the current year have been covered.

Dominion Tar

Have you any recent information on operations of Dominion Tar and Chemical Co.? I have an investment in this company and would appreciate having any information as to current developments.

A substantial portion of Dominion Tar and Chemical Co.'s revenue is derived from its creosoting activity. This division has been hit by restricted purchases of the railways which, in former years, were heavy buyers of creosoted ties. Other creosoting activities have declined with a subsequent reflection in earnings. On the other hand, the company has diversified its output and through subsidiaries, now has a wide operating scope. Preferred dividends, as you know, have been deferred and earnings this year will show a relatively small surplus applicable to this stock. The strong position which the company holds in the industry it serves is a factor to be remembered in viewing the future.

Tashota Gold Mines

I would like to have your viewpoint on the financial condition of Tashota Gold Mines. How large an ore deposit is it?

Tashota Gold Mines was recently taken over by a new company known as the Tashota Goldfields and the old shareholders given 900,000 shares in the new company. The company is without funds, and the object of the reorganization was to refinance the company in a way to permit development being resumed. The property is south of Tashota Station, Ontario, on the C. N. R. A shaft was sunk to a depth of 200 ft. and about 1,375 ft. of lateral work and 5,200 ft. of diamond drilling completed. Some encouragement was met with in this work, but with the failure of Stobie, Forlong & Co., the financial sponsors, work was suspended. No statement of the amount of ore in sight has been made.

Investors Syndicate

Can you give me any information regarding the management and stability of Investors Syndicate, Limited, 506 Northern Ontario Building, Toronto? They are allied with Investors Syndicate of Minneapolis and sell certificates on small monthly payments. Its assets consist principally of mortgages. While there is an obvious risk at the present time in investments backed by real estate, the sales agents of the company maintain that most of their mortgages are on homes occupied by the owners, who are required to liquidate their mortgages by annual payments. For this reason the company claims that its assets have not suffered much in liquidity during the depression, and that only a small portion of the mortgages have had to be foreclosed. The mortgages usually carry 6 per cent interest. As the monthly payments for their certificates accumulate at 5½ per cent interest, there is only a small profit if the company's overhead and selling expense is heavy.

Investors Syndicate of Minneapolis, Minnesota, has been in existence since about 1896. We have not inspected balance sheets of every year but balance sheets of recent years have shown the company increasing in financial strength from year to year. It has probably got the largest total assets of any company of this character in the United States. The company does not publish an income account, and does not indicate the number of those that are abandoned from year to year.

The company's accounts are audited by a New York firm which naturally acts in the interests of the shareholders. The chief assurance which investment certificate holders have as to the protection of the contracts of the company is in the inspection given by various states and provinces of the affairs of the company. In some of the Canadian provinces the company is required to deposit with a trust company about 110 per cent of all its obligations to investment certificate holders.

Investors Syndicate owns a number of government bonds and high grade securities but the major part of the money received from the sale of these investment certificates has gone into first mortgages and mainly on residences in various cities of the United States and some in Canada. The mortgages are all written on the monthly amortization plan and the last report from the company to The Financial Post was that arrears were not heavy when the severity of the present depression is considered.

The balance sheet of Investors Syndicate at the end of 1931 showed total assets of $46,646,219 made up as follows: Cash, $712,572; bonds and securities $4,156,841; first mortgage loans $34,310,119; loans on certificates, $3,094,410; real estate at current appraisals, $2,453,881; real estate contracts of sale $1,222,329; accounts receivable $591,017; furniture and fixtures $72.175; other assets $32,873.

The first charge against these assets is investment certificate cash surrender values amounting to $32,983,025 which you will notice is slightly under the total shown for first mortgage loans. There is a contingent liability reserve of $6,388,866 set aside to meet additions to cash surrender values of certificates. An amount of $277,942 is set aside for taxes, reinstatement of certificates and other accruals. This will make a certificate reserve of $4,690,578. Capital, surplus and reserve are shown on the balance sheet at $6,129,678. During 1931 Investors Syndicate paid to its certificate holders on maturities amounts totalling $3,699,546, according to this statement.

Maclaren-Quebec

I have been asked to purchase some bonds of Maclaren Quebec Power Co., but before doing so would like to have your opinion on this company.

Though MacLaren-Quebec Power Co. is still in the building stage, our understanding is that construction work is going ahead according to schedule and the company expects to be in a position to take care of contracts which begin next year. Revenue from these contracts, together with existing contracts, is estimated to be sufficient to cover interest requirements.

Jamaica Service

Please give me your opinion on the bonds of Jamaica Public Service. Is this bond well regarded and are earnings covering interest charges?

Earnings of Jamaica Public Service Company have shown a slight decrease this year, though they have been sufficient to cover interest charges. A recent hurricane did substantial damage to the banana crop in Jamaica, a factor which finds reflection in economic conditions on the island. The company, however, is the leading utility and the first mortgage bonds rank as a first charge on earnings. Operating expenses have been reduced and the position of the bonds does not appear unsatisfactory.

Locarno Gold Mines

I hold over two thousand shares of Locarno Copper Mines. The company has recently written to me advising of a change in the company's name to Locarno Gold Mines Ltd. At the same time they offered to exchange my shares in the copper mines for shares in the new company upon payment of specified amounts per block of shares. Do you think I should take up this option if still available? Can you give me some details regarding the company and its position? Do you consider these shares of any present or potential value?

Locarno Gold Mines acquired an old gold property in Stormont Township, Nova Scotia, in April, 1930, and has been doing some preliminary work. There is nothing to indicate that the present company will fare any better than its predecessor, Locarno Copper Mines, and the record in the past has not been such as to inspire faith in the future. The offer to exchange shares plus an additional commitment is a time-honored plan known as reloading. The shares of the company are not listed and there is no market for them.

Beauharnois

What are the latest developments in connection with Beauharnois Power Co.? I hold some bonds in this company and would like to know what are the prospects of a resumption of interest payments.

Bondholders protective committee of Beauharnois Power Corp. has brought the initial installation into operation, and is now trying to develop a satisfactory plan of financing which will not only provide additional $16,000,000 required, exclusive of interest for further construction purposes, but will also retire temporary loans of approximately $21,000,000 which have been necessary to bring the development up to its present stage. The temporary loans have been secured, in part, by first mortgage bonds of the operating subsidiary, Beauharnois Light, Heat and Power Co. which rank senior to the collateral trust bonds. Until new securities can be disposed of, earnings from present contracts must be used for interest on temporary loans, operating expenses and construction requirements, hence resumption of cash interest payments on the collateral trust bonds is not immediately in prospect.

Gatineau Power

I hold some Gatineau Power first mortgage bonds and would appreciate your opinion on this investment.

Gatineau Power Co. has reported higher earnings during the current year, and interest on the first mortgage bonds has been earned comfortably. The company derives a substantial portion of its revenue from long term contracts held with the Ontario Hydro Commission, and these together with sales to retail outlets are sufficient to cover first mortgage interest needs.

Imperial Oil

Do you consider Imperial Oil common stock a good buy at the present market prices and what are the chances for apreciation if held five or ten years?

As you desire to purchase securities that have chances of appreciation over five or ten years, you must study the issuing companies from the standpoint: first, of financial strength; second, their leadership in their particular lines; third, general business conditions affecting the markets for various products; fourth, competition; and fifth, the elements of permanence in their business.

Applying these tests to Imperial Oil we find that the company is the leader in the oil industry, has great financial strength and that the trend of events is with the industry as far as increasing use, from decade to decade, of oil and its products are concerned, we find also that business is very slack in Western Canada among the farmers and the recent depression has affected the tourist business and the present market to a considerable extent. However, the company's markets are world markets: 60 per cent of its 50c. a share dividend comes from its earnings outside of Canada.

Mainly these earnings are from International Petroleum, a subsidiary which owns huge areas of oil-producing territory in Peru and Colombia. It is conceded that without the very drastic curtailment measures now in force in the United States there might be over-production on a vast scale of crude oil. As crude oil of International Petroleum Company is sold on the basis of mid-continent prices in the United States its world situation is naturally controlled by what is happening in the United States. There cannot but be thought to be a certain insecurity about immediate earnings of this company being on a basis sufficient to continue the dividend of $1 a share per annum until demand begins to overcome this huge world over-supply.

The price level for gasoline and other products in Canada is somewhat lower than a few years ago and a very low margin of profit per gallon is reported. Without tariff protection, it is doubtful whether companies would be able to make enough money to pay their dividends.

To conclude, Imperial Oil is the leader in its line, it has great financial strength, it must face the prospect of keen and possibly increasing competition as the years go by and it will either gain or lose in world markets as the general oil situation clears up or gets worse. The splendid record of both Imperial Oil and International Petroleum is not an all-sufficient guide in the present situation because no such critical condition of possible over-production ever existed in this industry before the last five years.

Trans-Canada Insurance

As a property owner looking for a way to reduce the overhead cost of my fire insurance I would like your opinion regarding the Trans-Canada Fire Insurance Company of Montreal.

I have been making a few inquiries and according to the federal government blue book it would appear that this company suffered an underwriting loss in 1928 of over $15,000, in 1929 an underwriting loss of $30,000, in 1930 a loss of $48,000, and in 1931 a loss of $90,000. It would also appear from the blue book that some of the capital stock has been partly used to offset this underwriting loss and I also believe that a recent call has been made for additional capital. I could obtain my insurance at from 30 per cent to 40 per cent cut from board rates. Would this be a safe thing for me to do? Does not this rate cutting impair the security of the deposit with the Dominion Government and could this company be compared favorably with a company charging the full board rates.

I am very loth to switch from the company I am with which charge board rates, and their security is without question. Would you please give me a review of their operations and present financial standing. I would ask you to answer this through your insurance column, as I am a constant reader.

Trans-Canada Insurance Co., is a relatively young company and though its business has shown expansion it has not yet been able to consolidate its position. Its affairs, however, are under the supervision of the Department of Insurance and its license would be suspended if the company were not living up to the demands made of insurance companies by the government.

In regard to your statement regarding rate cutting. If Trans-Canada is offering rates below those of board companies it can only do so as it proves itself capable of either materially reducing its expenses, commissions, and loss ratios below the average. A survey of government figures indicates that to date it has had higher than average experience in loss ratio, and equally high commission and brokerage costs.

The last call to be made on shareholders was in 1931. This comprised 10 per cent and we are given to understand that the full amount has now been paid in. The last government report on insurance shows that $26,700 representing an increase in paid capital, was written into profit and loss account.

In short, the company is having difficulties encountered by young organizations of this type, difficulties which have been accentuated by current conditions. Its financial position cannot be regarded as strong though it is apparently living up to the requirements of the Department of Insurance.

Goodyear Tire

I should value the favor if you would explain the relationship existing between Goodyear Tire and Rubber Co. of Canada and the Goodyear T. & R. Co. of America.

Also please give data on capital structure, earnings and dividends, position of the company within the industry, territories served and any other information that you consider necessary in order to gauge the investment merit of Goodyear T. & R. Co. of Canada common stock.

The Goodyear Tire & Rubber Co. of Canada Ltd. is controlled by Goodyear Investment Corporation (Delaware) which, in turn, is wholly owned by Goodyear Tire & Rubber Co. of Akron, Ohio. Goodyear Tire & Rubber Co. of Canada has outstanding 128,630 shares and through the arrangement described the Goodyear Tire & Rubber Co. of Akron, Ohio, controls about 100,000 shares of common and 10 per cent of the $7,345,800 7 per cent preferred shares of $100 par value outstanding. Apparently effective management and control of the company is in Canada and most particularly in the hands of C. H. Carlisle, president and general manager.

The two securities mentioned represent the whole capital structure of the Goodyear Tire & Rubber Co. of Canada. The company earned $21.94 a share on common in 1929, $8.02 a share in 1930 and $8.24 a share in the 15 months ended December 31, 1931. It has built up a very large earned surplus of $7,665,563 and it has working capital exceeding $10,000,000. The current assets are strongly liquid with over $1,000,000 in cash, nearly $5,000,000 in call loans and government bonds, nearly $1,450,000 in accounts receivable and its current liabilities are comparatively slight.

The company is a leader in the industry in Canada and its products, which consist of rubber tires for automobiles, trucks, buses and motorcycles and mechanical rubber goods, such as belting, hose, packings and sheetings and a miscellaneous line of products, are sold throughout Canada and an export trade to nearly every country in the world has been built up. The Canadian company has access to the parent company's patents, compounds and laboratories. Through its subsidiary, the Goodyear Cotton Co. of Canada, the company receives about 60 per cent of its requirements of cotton fabric. Its factories are at New Toronto and Bowmanville.

Recent statements by the president indicate that common dividend of $5 a share has been well covered in 1932.

Silverwood's Preferred

A lady customer has been offered 4 shares Silverwood's Dairies Ltd. 7 per cent preference. Would you consider this a good purchase?

Silverwood's Dairies is a holding and operating company which, through its subsidiary and associated companies, is engaged in Ontario in the sale, retail and wholesale, of milk, cream, eggs, poultry and the manufacture and distribution of butter, ice cream, condensed milk, evaporated milk, powdered milk, buttermilk powder and other dairy specialties and also artificial ice. It does business from Windsor to Niagara Falls across Southern Ontario and its holdings consist of a controlling interest in the stock of 25 subsidiary companies in all the cities and towns of this area. The subsidiaries and the holding company have been built up during the last decade by means of sale of stock to the general public, and the expansion of the business has been made by the use of the public money thus gained. Hitherto the company has been able to earn sufficient to pay dividends, not only on the 7 per cent preferred of $100 par value, but also until a year ago on the class "A" shares of no par value and the no par value common shares. In its last year ended April 2, 1932, however, the company had not quite earned the dividend paid on its class "A" and common shares.

Also, in spite of its strong earnings position established by its expansion programme through ten years, the company's working capital position is not strong. There was a working capital deficit of $168,016 because current liabilities were that much in excess of current assets. There was a bank loan of nearly $200,000 and it had accounts payable of $306,353.

In May, 1932, however, the company offered direct to customers and others $750,000 6 per cent ten year collateral trust sinking fund debentures, series "A." On October 26 The Financial Post was informed that $130,000 of these debentures had been sold, and that the additional debentures caused no increase in interest payment, because it had been made up for by reducing bank loans and paying off mortgages on various subsidiaries taken in recent years. It is intended that further amounts for the debentures would be used in the same way.

A statement by the president and general manager, A. E. Silverwood, on October 26 stated that in the half year ended October 3, 1932, the company's net earnings had covered preferred dividend requirements after depreciation and prior obligations.

The position of the preferred stock in future will depend upon the success of the company in improving its working capital position, in reducing its bank indebtedness and in consolidated earnings, so th will be able to take care of total debentures sold and a margin considerably above ferred requirements.

The record is so far one of cess but the difficulties conf the dairy industry in the of competition and pressu excessive supplies on markets been growing in the last year company will continue to mak usual strong effort but no one predict how adequate earning preferred and common will be.

Canadian Securities

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An opportunity for every good citizen to inform himself on one of the vital issues of to-day

IS CANADA'S banking system antiquated and does it need to be revitalized by a central bank? Or is Canada's wonderful record of no bank failures in this, the greatest depression in history, proof that we do not need any such radical change in our banking system?

This is one of the big questions of the hour in Canada. Fiercely is it being debated in and out of Parliament. Most of the debate is carried on by those who have no adequate conception of their subject.

Recently The Financial Post published a series of articles on "A Central Bank for Canada" that made clear all the essential facts about central banking, and its possible application in Canada. It was a simple statement of the pro's and con's written for the average business man reader.

These articles were written by a recognized student of the problem, A. F. W. Plumptre, lecturer in money at the University of Toronto.

These articles have now been published in a small paper-covered book. Copies may be obtained at the nominal cost of, each. 25c.

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Insurance for Buyer and Seller

OCIAL INSURANCE IEETS APPROVAL OF QUEBEC BOARD

ecial Commission Makes Report on Unemployment

From Our Own Correspondent

MONTREAL. — Unemployment rance, when the economic situa- makes it possible for the state support such a system and if it mes evident that other meth- suggested are inapplicable, is mmended in the report pre- ed and submitted to the Quebec ernment by the Quebec Social rance Commission.

his commission was set up some ago under the chairmanship Edouard Montpetit, of the Uni- sity of Montreal. Other mem- include representatives of the treal Trades and Labor Coun- the church, Canadian Manufac- rs' Association and the provin- director of public health.

Outlines Line of Action

hough full details of the com- sion's report have not been le public, its principal recom- dations follow:

—The commission on social insur- finds that unemployment is of a onal and international character, ther one has to determine its es or discuss the remedies to be ied.

—That unemployment insurance, gh under the present laws, comes r the jurisdiction of the prov- s and, in theory, should be applied their administrations, cannot be ently organized but under a na- l legislation, for the reasons n in this study.

he commission recommends that Quebec Government enjoin the eral and other provincial gov- nents to accept the formation of ational permanent committee a common action against un- loyment. This Committee d be known as the Superior nomic Council as in European tries.

his common committee could rate as follows:

). By the orientation given to onal production, to prevent ruin- overproduction and facilitate the lopment of foreign trade.

). By an inter-provincial policy working hours decrease, first in stry and progressively in other res of national activity.

). By an extensive propaganda ng manufacturers and workers, make them accept a more general ication of work distribution.

). By the study of an employ- t assurance system, as presented his report, if accepted.

). By the gradual application of nployment insurance with tri- ite contribution (the state. em- ors and employees), when the omic situation makes it possible he state to support such a system, if it becomes evident that the r methods suggested are inap- ble.

he commission recommends to Quebec Government to continue fight against unemployment:

) By the maintenance of a na- l policy of back to the land, help griculture, development of co- atives of credit, purchases and .

) By the execution of public s, as important as possible, h, while increasing the value of national patrimony, will dispense th the operation of the depressing ods of direct relief.

) By the application of other s to combat unemployment, ady indicated, which fall under jurisdiction of the provinces.

e unemployment insurance, or -work plan, which would bring ther employers and employees, effort to formulate a system of distribution of work, with restric- of old men and children employ- , is offered by the commission as lternative to unemployment in- nce.

Insurance Inklings

LEXANDER BISSETT, manager Canada of London and Scottish rance Corp. is retiring at the end e year after 50 years of service. the intention to extend an invi- n to Mr. Bissett to joint the Can- board.

H. R. EMMERSON has been ap- ted joint manager for Canada of London and Scottish Assurance . to succeed Alexander Bissett, will retire from service at the end e year. Mr. Emmerson has held position of secretary and actuary e company in Canada for the past ears and previous to his arrival Canada had been with the home in London for 10 years.

H. PRIDDEY has been named manager for Canada of the Lon- and Scottish Assurance Corp. in ession to Alexander Bissett, who es at the end of 1931. Mr. Prid- is at present joint branch man- for the company at Nottingham,

J. HARDING has been appointed ch manager for the Manufactur- Life Insurance Co. at Cleveland, . Mr. Harding was born at ptville, Ont., and has been in eland for the last 13 years.

A. KENNEDY, C. L. U., was ed president of the Life Assur- Managers' Association of Winni- at their recent annual meeting.

HILES TEMPLIN, formerly with company in London, Ont., has been inted district superintendent for London Life Insurance Company's nary branch in Hamilton, Ont.

HN W. PRESTON, of the Im- l Life Assurance Co., has been ed president of the St. Catharines, Life Underwriters' Association.

D. FOSTER has been made presi- of the Montreal Life Under- rs' Association.

R. FERGUSON, inspector of cies of the Great West Life As- nce Co., has pust returned to nipeg from a visit to branch of- at Toronto, Montreal, Halifax, John, Detroit, Chicago and eapolis.

monton Council Wants ra Dominion Note Issue

monton city council has passed a ution urging the Federal govern- to issue Dominion notes at cost st bonds of municipal and pro- al governments to carry costs of ployment relief and productive s. The resolution reads as ws:

ESOLVED that we urge upon the ral government to assist in ating our debt-logged institu- by the issuance of Dominion ency at cost against the bonds of incial and municipal govern- s, or other practical means, to amounts as will carry the cost nemployment relief and make it ible to carry on productive work ecessary improvements."

Ordinary Life Insurance*

	1927	1928	1929	1930	1931	1932
January ..	$36,986,000	$47,569,000	$49,789,000	$45,074,000	$41,188,000	$37,331,000
February ..	35,525,000	39,962,000	47,140,000	43,925,000	40,180,000	38,145,000
March	42,883,000	44,823,000	48,066,000	49,047,000	46,945,000	37,467,000
April	41,631,000	46,718,000	51,842,000	51,649,000	45,648,000	33,629,000
May	44,553,000	49,581,000	50,547,000	48,871,000	41,314,000	30,998,000
June	45,298,000	51,884,000	53,402,000	54,168,000	46,227,000	40,963,000
July	39,962,000	49,492,000	54,809,000	46,505,000	39,977,000	34,469,000
August ...	38,360,000	43,503,000	41,329,000	36,249,000	35,738,000	28,370,000
Sept.	35,000,000	38,872,000	43,013,000	38,994,000	30,066,000	25,207,000
October ...	48,104,000	55,743,000	50,894,000	44,527,000	36,006,000	29,858,000
Nov.	44,935,000	54,865,000	55,624,000	46,186,000	38,860,000	34,003,000
Dec.	48,899,000	56,647,000	54,189,000	49,626,000	47,168,000	....

Total, first 11 months, 1932	$370,440,000
Total, first 11 months, 1931	$442,149,000
Decrease, first 11 months, 16.2%	$ 71,709,000
Decrease, November, 1932, from November, 1931, 12%	$ 4,857,000

*Companies having in force 84 per cent of total outstanding business in Canada as at Jan. 1, 1932. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

New Quebec Auto Rates Higher in Outlying Areas

From Our Own Correspondent

MONTREAL—Territory number 5 of the districts into which the province of Quebec is divided for purposes of auto insurance bears the brunt of changes recently approved in auto rates. Number 5 district comprises, broadly speaking, outlying territories in the province.

In all other districts rates for public liability and public property damage will be increased by 10 per cent; in number 5 the increase is 15 per cent. Reductions of 20 per cent have been approved in full coverage rates for collision in other districts, in number 5 there will be no change. Rates for fire in number 5 will be jumped 10 per cent as compared with no change in other territories; in rates for theft the district falls in line with others with a reduction of 15 per cent.

For auto insurance purposes, Quebec is divided into 5 territories, as follows:

1. City and island of Montreal.
2. Counties of Two Mountains, Laval, Terrebonne, Vercheres, Chambly, Laprairie, Chateauguay, Vaudreil, and L'Assomption.
3. City of Quebec and within radius of 5 miles of city limits.
4. City of Levis and within radius of 5 miles of city limits.
5. Remainder of province.

Following is a table of the new auto insurance rates which have been revised effective January 1. The figures cover private passenger cars only:

			Collision					
Terr.	P.L.	P.D.	*F.C.	$25	$50	$100	Fire	Theft
1	+10%	+10%	—20%	NC	—20%	—20%	NC	—15%
2	+10%	+10%	—20%	NC	—20%	—20%	NC	—15%
3	+10%	+10%	—20%	NC	—20%	—20%	NC	—15%
4	+10%	+10%	—20%	NC	—20%	—20%	NC	—15%
5	+15%	+15%	NC	NC	NC	NC	+10%	—15%

*Full coverage.
N.C.—No change.
P.L.—Public liability.
P.D.—Public property damage.

Ordinary Sales Of Insurance Gain 14 per cent

A substantial gain in Ontario and increases in British Columbia, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Saskatchewan and Newfoundland, helped to swell sales of ordinary life insurance in Canada during November, according to records compiled by the Life Insurance Sales Research Bureau, of Hartford, Conn.

Total sales in November amounted to $34,003,000 as compared with $29,858,000 in the preceding month, or a gain of nearly 14 per cent. This is a considerably better than seasonal showing on the basis of previous years' records.

As compared with November of the previous year, there was a decline of 12 per cent which is considerably less than the average for the first 11 months of the year to date, which now stands at 16.2 per cent.

15 Companies' Sales

These figures apply to the business of 15 leading Canadian companies which had in force 84 per cent of the total business outstanding in Canada as at the first of the year. 2It includes new, paid for, ordinary business only.

Comparative figures for the nine provinces and Newfoundland follow:

Ordinary Sales of Life Insurance in Canada*

	Nov., 1932 $	Oct., 1932 $	Nov., 1931 $
Alberta ...	1,558,000	1,484,000	1,809,000
B. C.	2,024,000	1,802,000	2,237,000
Manitoba .	2,112,000	1,849,000	2,517,000
N. B.	814,000	743,000	959,000
N. S.	1,117,000	948,000	1,407,000
Ontario ..	14,461,000	12,498,000	15,787,000
P. E. I. ...	187,000	58,000	108,000
Quebec	9,895,000	8,928,000	11,836,000
Sask.	1,621,000	1,347,000	1,995,000
Nfld.	264,000	201,000	245,000
Total† ..	34,003,000	29,858,000	38,860,000

*Sales Research Bureau figures.
†Canada and Newfoundland.

As compared with the United States, figures published by the Association of Life Insurance Presidents, show new production 20.7 per cent below November, 1931, with a cumulative total for the first 11 months of the year down 16.1 per cent. Group insurance, according to these figures, was the only class showing an increase for November, recording a gain of 26.8 per cent as compared with a year ago. Figures for ordinary insurance show a drop of 23.4 per cent as against November a year ago, while industrial business dropped 19.7 per cent. New, ordinary business for the year to date is down 18.7 per cent, according to this record.

Vice-President

H. F. RODEN

Deputy manager for Canada of The Commercial Union Assurance Co., Ltd., and Associate Offices, who was recently elected vice-president of The Canadian Casualty Underwriters Association.

PRE-WAR RUSSIAN IN INSURANCE SUIT

Action Brought Against Equitable Life on Old Rouble Policy

Russia's revolution figures in an insurance action brought before the Manitoba court of King's bench in a suit filed recently by Joseph Aronovitch, once resident of Elisavetgrad, province of Cherson, Russia, and now a Winnipeg merchant.

The suit is for $815.37 and costs against the Equitable Life Insurance Society of New York, which has a branch office in Winnipeg, on grounds that the company repudiated its insurance contract with the plaintiff.

On Dec. 2, 1902, in his native Russian village, Joseph Aronovitch took out a life insurance policy for 1,000 roubles with the company. He paid semi-annual premium of 26.34 roubles to the company's office in St. Petersburg until 1913, when he migrated to Canada and settled in Winnipeg.

Until June 30, 1920, he continued to pay the premiums to the company's office in Winnipeg, although before that time the revolution struck Russia, the Czar was deposed and executed and a Communist state was set up. He paid these premiums, computing the value of the rouble at $51.4. His statement of claim states that the company accepted the premiums, even after the revolution, making no provision for fluctuation in exchange. Although Aronovitch alleges he desired and offered to pay further premiums, the company repudiated its contract and liability in 1920.

In 1922 Aronovitch demanded that the company cash his policy, since the original contract matured that year, asking for the cash value of the policy less the premiums, and interest at seven per cent, which the company would not accept.

Aronovitch's claim is for $514.40 principal, interest at 7 per cent on that amount, $360.08, less two premiums for two years—a total claim of $815.37.

Legal Decisions

Suit of Miss Ethel Jennings of Windsor for $2,173 against the Imperial Bank of Canada, and its former Windsor manager, H. M. McKenzie, was dismissed by Mr. Justice Jeffrey in the Sandwich sittings of the Supreme Court recently.

Judgment was given, however, against Frank Thompson, of Gosfield North, who was named a co-defendant in the action.

The suit involved a mortgage deal made in 1929, whereby Miss Jennings loaned $2,000 to Thompson on a house and lot on Arthur road, East Windsor.

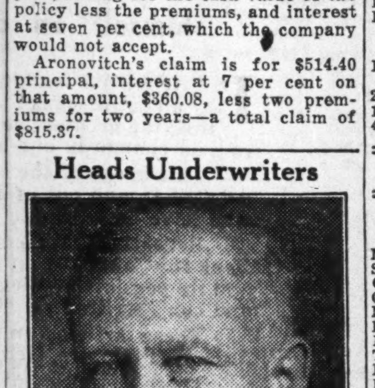
Later, Thompson exchanged the property with one Elmer Queen for ten acres in Gosfield North also paying $2,300 in the deal. At that time, Queen was indebted to the Imperial Bank and the deed to the East Windsor property was given to the bank as collateral security.

The property was held by Mr. McKenzie as trustee, and he made subsequent interest payments on the mortgage to Miss Jennings from rents collected on the house. The plaintiff alleged that the property had been wholly transferredd to Imperial Bank, and that it assumed liability on the mortgage.

In his judgment, Justice Jeffrey ruled that the East Windsor house had been held by the bank only in trust.

Roscoe S. Rodd acted for Miss Jennings at the trial, held four weeks ago, while John B. Aylesworth was counsel for the Imperial Bank.

Heads Underwriters



W. RYRIE SMITH

Toronto representative of the Mutual Life of Canada, who has been elected president of the Life Underwriters Association of Toronto, largest body of its kind in Canada, for the year 1932-33.

Bank Chat

The Bank of Nova Scotia announces the following changes in staff appointments:

H. N. HUBLEY, formerly manager at Sheet Harbor, N.S., has been appointed manager at Dartmouth, N.S., to succeed Mr. H. S. Pethick, who is retiring on pension.

H. E. WALES, formerly accountant at London, Ont., has assumed charge at Chesterville, Ont.

E. P. WARNEFORD, formerly manager at Port Antonio, Ja., has been appointed manager at Black River, Ja.

I. Y. MURPHY, formerly of our staff at Kingston, Ja., has assumed charge at Port Antonio.

W. P. BLAKESTON, formerly an assistant accountant at Toronto branch, has been appointed accountant at London, Ont.

MALCOLM B. STEWART, manager at Chesterville, Ont., died in hospital at Ottawa on Dec. 7.

CHARLES H. LEE, for 26 years manager of the Bank of Nova Scotia, Main St., North end branch at Saint John, N.B., will retire on superannuation on Dec. 31 1932.

The Canadian Bank of Commerce announces the following changes in branches and staff:

Binbrook, Ont., branch will be open for business on Monday, Wednesday and Friday of each week. L. T. FOSTER, manager at Mount Hope, Ont., has been appointed manager.

Mount Hope, Ont., branch, commencing Dec. 15 will be operated as a sub-agency to Binbrook, Ont., and will be open for business on Tuesday, Thursday and Saturday of each week.

G. KYLE to be manager at Mount Pleasant Branch, Vancouver, B.C.

W. F. KELSEY to be supervisor of securities at Toronto branch.

8,370 Policies in Force in Federal Civil Service

There were 8,370 insurance policies in effect on 6,712 civil servants, amounting to $25,185,717 of insurance with $478,798 in yearly premiums, in the civil service insurance account of the government on March 31 last, according to a statement filed by Hon. E. N. Rhodes, minister of finance, in the House of Commons recently.

There were 310 new policies for a total amount assured of $897,000 issued during the fiscal year ending March 31 last, the return showed.

During the year the fund paid $159,550 in death claims and $45,579 in surrender value to civil servants withdrawing from the fund which on March 31 last stood at $7,053,128. During the year the fund had receipts of $495,267 in premium payments and $389,376 in interest.

Since 1911 the fund has paid 619 death benefits to a total of $1,596,651.

Foreign Exchange

CANADIAN dollars continued their previous three weeks display of strength in the seven days ended Dec. 19, closing at 87¼ in New York which was only ¼ cent below the week's high mark. This appears to be a renewal of the strength which had been in evidence before the flurry caused by announcement of advances of $35,000,000 to chartered banks under the Finance Act in the first week of November.

Confidence in financial quarters is probably the chief factor in this steady improvement in the New York quotation. Exports of goods to the United States would not account for it as they showed a decline of $6,314,000 in November. Imports from the same country have also been lower, but these commercial movements are probably less important than invisible financial influences in the present trend.

* * *

EXPORTS of gold bullion have aided materially in maintaining the strength of Canadian dollars in terms of the United States gold unit during 1932. Production of Canadian mines purchased by the Dominion has been exported to the United States steadily. For the week ended Dec. 14 such shipments are reported at $2,992,000 in U. S. dollars, and although November figures are not available, the total in the 12 months ended Oct. 31 was $48,577,386 in bullion compared with $23,219,466 in the previous 12 months. A materially smaller export of gold coin has been recorded in 1932 than in 1931, however, so that total exports of gold are not as large this year as last by some $16,000,000.

Sterling continued in about the same relationship to the Canadian dollar as has prevailed for several weeks. It closed at $3.80 in Montreal on Dec. 19, compared with $3.79 a week before. This peculiar relationship of the pound and the Canadian dollar has resulted in quotations for sterling in Canada varying between $3.74 and $3.80 for over a month, and appears to be psychological in character, as there is no financial tie-up between the two currencies.

FOREIGN EXCHANGE

New York Funds

	High	Low	Last Year High	Low
	(Premium)		(Premium)	
	%	%	%	%
Dec. 13 ...	16 5-16	15 3-4	22 1-2	21
Dec. 14 ..	15 3-4	15 1-4	24 1-4	22 1-2
Dec. 15 ...	15 5-8	14 3-4	25	23 1-2
Dec. 16 ...	14 5-8	13 5-8	24 5-8	23 1-2
Dec. 17 ...	14 1-2	14 1-8	22	20
Dec. 19 ...	14 1-2	14 1-8	24 1-4	22

STERLING, FRANCS AND LIRE

Close Demand in New York

	Sterling	Francs	Lire
Dec. 13 ...	3.26 3-8	3.90 3-8	5.11 1-2
Dec. 14 ...	3.28 5-8	3.90 1-8	5.11 1-2
Dec. 15 ...	3.28 5-8	3.90 3-16	5.11 1-2
Dec. 16 ...	3.30 1-4	3.90 1-4	5.11 1-2
Dec. 17 ...	3.31	3.90 1-4	5.11 1-2
Dec. 19 ...	3.31	3.90 1-4	5.11 1-2

Close Demand in Toronto

Par		Dec. 5	Dec. 12	Dec. 19
5.26	Italian	5.96¾	5.94¾	5.87
23.80	German	27.94¾	27.63¾	27.28
13.90	Belgian	16.27	16.06	15.86
49.80	Japanese	24.11	24.13	24.36

Weekly Bank Clearings

Eastern Cities

	Dec. 17, 1931	Dec. 15, 1932
Moncton	$ 743,173	$ 657,258
Sherbrooke	685,671	582,032
Quebec	4,802,912	3,646,836
Ottawa	6,178,916	3,177,641
Montreal	96,150,052	62,815,008
Kingston	686,778	463,945
Peterboro'	805,796	612,721
Toronto	87,448,137	71,623,041
Hamilton	4,207,716	2,877,201
Kitchener	1,149,917	832,467
Brantford	912,780	660,494
London	2,628,087	1,980,628
Windsor	2,692,525	1,721,036
Chatham	688,267	389,072
Sarnia	488,496	292,906
Sudbury	601,244	413,804
Halifax	2,672,985	1,732,617
Saint John	1,803,459	1,418,985

Western Cities

	Dec. 17, 1931	Dec. 15, 1932
Fort William	$ 643,004	$ 471,769
Winnipeg	42,718,126	31,655,977
Brandon	429,860	244,114
Moose Jaw	586,770	432,433
Saskatoon	1,725,258	1,095,230
Prince Albert ...	338,456	221,189
Edmonton	6,087,175	3,368,776
Calgary	5,664,130	4,870,495
Regina	4,327,870	2,497,602
Medicine Hat	204,329	155,339
Lethbridge	413,301	123,717
New Westminster	496,302	379,232
Vancouver	13,441,935	10,999,040

Current Events in Banking World

EUROPE SURVIVED SOUTH SEA CRASH 213 YEARS AGO

Stock Boom Similar to That of 1929 Caused Great Depression

In order to express its goodwill at the Christmas Season, the Bank of Nova Scotia in the December number of its Monthly Review tells the story of the famous South Sea Bubble which burst nearly 213 years ago. The review points out that, like all the depressions, from that time to this, the bubble crash was followed by recovery.

At the time of this famous speculative boom, Britain had been involved in a series of wars with France, and had just concluded the war of the Spanish Succession. As a result of these conflicts British power overseas was enlarging, at the expense of Spain and Holland, and later, France. The profits of traders overseas appealed to the cupidity of the public, and thus the foundation for a speculative boom was laid.

General Attitude

The similarity of the public attitude, toward the boom and the subsequent depression, to that which has prevailed throughout the world in the last three years, is indicated by the following quotations from the Monthly Review. These are in chronological order, thus showing the state of mind at different periods during the course of the South Sea stock boom.

"'The rich produce of the mines of Potosi-la-Paz was to be brought to England till silver should be almost as plentiful as iron. For cotton and woollen goods with which we could supply them, the dwellers in Mexico were to empty their gold mines. The Company trading to the South Seas would be the richest the world ever saw, and every hundred pounds invested would produce hundreds of pounds per annum for the stockholder,' writes MacKay.

"A contemporary wrote in his journal, 'If ever there was a nation twenty-three years ruining itself and like to recover in a moment, this is the time.'

Thirst For Gains

"Edward Harley, brother of the Earl of Oxford, wrote from London in June, 1720, 'The demon of stock-jobbing is the genius of this place. This fills all hearts, tongues and thoughts. No one is satisfied with even exorbitant gains, but everyone thirsts for more.'

"James Windham naively wrote to his brother: 'I grow rich so fast that I like stock-jobbing above all things,' and Mrs. Windham says: 'South Sea is all the talk; the ladies sell their jewills to bye and hapy are they that they are in.'

"Another commentator says: 'To that extent are the people of this age arrived that they'll be nowhere eased of the burden of their case but in Exchange Alley. Twenty per cent is parted with for a bare week's loan of one hundred pounds; and if fame be not a great calumniator, some persons have generously condescended to lay in limbo their St—rs and G—rs.'

"'If you are at a coffee-house the only conversation turns to stocks; if you wait on a lady of quality you'll find her hastening to the House of Intelligence in Exchange Alley; sharpers leave their gaming tables for the more profitable business at Jonathan's coffee-house; even poets commence to be stock-jobbers,' says a commentator.

"Meanwhile the price of South Sea stock had continued to rise, and on June 2nd was over 800, having doubled in price during a fortnight!"

Numerous Bubbles

Other "bubble" companies had also been created, and their shares had risen to tremendous heights on marginal purchases. The South Sea Company attempted to crush these enterprises by questioning their legality, and issued writs against many of them, thus causing a sharp decline in prices for their shares. This forced sales of South Sea shares as well, and within two weeks they fell from 900 to 755. The crash had started.

"The London Journal says: 'Because of the confusion and terror it struck among the brethren of iniquity, they called aloud The Day of Judgment.' In September, Brodick wrote, 'The consternation is inexpressible, the rage beyond description. Thousands of families will be reduced to beggary.'

"All subscribed to the theory that 'the poor unwary People have been deliverel into the polluted Jaws of Vultures and Tygers.'

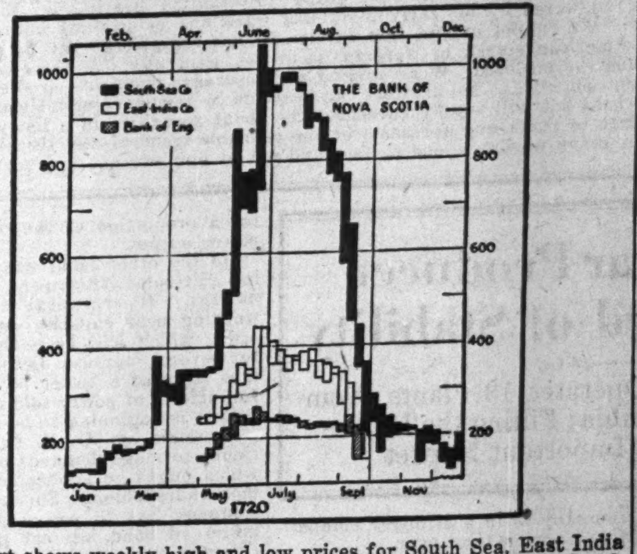
Bitter Consequences

"A lady writes to her sister-in-law (after the crash): 'We hope that you will come to Bath, for upon the fall of South Sea the place empties so fast you may have your choice of lodgings at the Winter price'."

Repentance and recovery followed the bursting of the bubble, as the bank states in the last paragraph of the Monthly Review:

"The newspapers exhorted that 'we turn our thoughts from Stock-jobbing to Industry and frugal Methods of Life.' The nations of Europe painfully recovered their equilibrium, though it was some years before the confidence of investors, so severely shaken by this débâcle, became strong enough to supply adequately the growing capital needs of commerce."

South Sea Bubble Bursts



This chart shows weekly high and low prices for South Sea, East India and Bank of England stocks during the famous "bubble" of 1720. South Sea stock rose from 128¼ to 1,050 and then fell nearly 90 per cent in price. The chart, which was prepared by the Bank of Nova Scotia, shows how shares of well established organizations, such as East India and Bank of England, participated in the trend.

NOTE ISSUES UP AT NOVEMBER 30 BY $37,644,000

$35,000,000 of Special Finance Act Advances Show in Report

An increase of $37,644,000 in Dominion notes issued under the Finance Act as compared with Oct. 31 is the feature of the statement of notes outstanding at Nov. 30, as issued by the Department of Finance, Ottawa. This is the first report of the note issue since the special Finance Act advances of $35,000,000 to chartered banks early in November.

As forecast in The Financial Post last week, the report shows relatively small additional advances over and above the special advances mentioned. Last year advances of Dominion notes to banks under the Finance Act in the same period increased by $42,000,000. At that time the advances were made on the initiative of the banks, while this year's increase has been made at the instigation of the Government with the co-operation of the banks

Increase in Total

The total outstanding issues of Dominion notes rose in November by $37,578,551 to $198,870,406, being only slightly more than the increases due to the Finance Act. There was a small decline in notes issued against gold backing, and this, combined with larger total gold holdings, increased the amount of the metal held in excess of statutory requirements by $1,867,409 in November. Of $5,000 and $50,000 notes, $38,750,000 more were in circulation at Nov. 30 than at Oct. 31, of which increase $33,150,000 was in notes of the larger denomination. There was a decline of $770,784 in total issues of one and two dollar notes, or $2.35 per cent.

Gold holdings at Nov. 30, 1932, were as follows:

Gold Held by the Minister of Finance at November 30, 1932

Against Gov't savings bank deposits (10% of $22,976,559) ...	$2,297,656
Against notes under Dominion Notes Act, 1927	70,226,406
In excess of statutory requirements	2,741,640
	$75,265,702

"Lie Detector" Uncovers Dishonest Bank Employee

Dishonesty among bank employees is one of the targets on which direct hits have been scored by the Keeler "lie detector" which was recently demonstrated to the session of the Morris Plan Bankers' Association by Dr. Leonarde Keeler, of Northwestern University, its inventor.

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INSURANCE COMPANY
Head Office — Waterloo, Ont.
Assets (Dec. 31, 1931) $ 8,125,1
Policy Reserves 6,846,0
Insurance in Force ... 51,355,6

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Assurance Company
Established 1847
Canada's Oldest
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Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL
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SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA
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BRANCH OFFICES
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This Week in Wheat

Still Some Mystery About Big Break
U. S. Crop Leaves None for Export
Ottawa Refuses Market Support

From Our Own Correspondent

Big Break Caused by Pool Panic

WINNIPEG. — Since the wide break in wheat prices of Friday, December 16, the market has been struggling to maintain some gains from the low levels reached that day, when December wheat went as low as 38 cents and May wheat barely escaped touching 40 cents, but the situation then created has been still overhanging the market. Winnipeg, and not any outside market, was the centre of influence that day, and the influence of developments here extended to other centres. While it is still impossible to be sure exactly what occurred, it is clear that some millions of bushels of cash wheat and futures were liquidated on behalf of both farmers and others, and the decline was only checked when the remarkably low prices available brought in some increase of outside buying. But under present world financial and exchange conditions such buying is necessarily limited at any one time.

The general belief in the "pit" is to the effect that the gradual decline in prices finally reached a stage where one of the provincial pools found it necessary to let go of a certain quantity of pooled wheat on which advance payments at the rate of 35 cents a bushel had been made, and against which storage charges of several cents a bushel had accrued, and that the liquidation of this wheat brought a sufficient further decline to touch off stop loss orders on considerable additional quantities. This, of course, would imply that such wheat had not been previously hedged, and the opinion previously held had been to the effect that pooled wheat, of which there have been only a few million bushels both last year and this year, was being consistently hedged, in accordance with some understanding with the banks and with the Dominion Government, which had guaranteed the banks against losses on their advances. But whether it was such wheat or grain being held by farmers individually there was no doubt as to sales of much greater quantity of farmers' wheat than for some weeks past, and the government support, which on other occasions had absorbed offerings was not in evidence that day.

* * *

U. S. Crop Estimate Lowest in Years

THE most important news for a long time was the release of a preliminary government estimate at Washington on Tuesday to the effect that the winter wheat crop of the United States, owing to present poor condition, may give a yield of less than 400,000,000 bushels, which would be 65,000,000 bushels less than the very low yield of 1932, and would practically ensure that the United States will this coming year produce less wheat than she will use for domestic consumption, and may have to make considerable inroads on accumulated surpluses. That seems to remove the fear that the United States may in the near future return to competition in the world wheat market, and would leave the export market for many months to come to be divided among Canada, Australia and the Argentine.

* * *

Ottawa Disappoints Wheat Speculators

WHEN last week's sudden drop in prices occurred a large number of farmers and some traders discovered that they had been totally mistaken as to the nature of the intervention of the Government of Canada in the wheat market. There had been a fairly general assumption that as the government was admittedly active in the market no such precipitate decline in prices would be allowed to take place, and moreover that there was some minimum price at which the government agency would take all wheat offered. Consequently some farmers felt justified in hanging on to their wheat and in borrowing close up to the actual value of it, in the belief that they had nothing to lose and some prospect of gain in holding. When margins were exhausted such wheat had to be sold.

A number of traders were caught by the same theory, particularly those who had been accustomed to spread between Winnipeg and Chicago. Earlier in the year they had developed doubts as to the ability of the United States market to continue for a long period above an export parity, with such a large surplus of wheat as that country has on hand, and had been willing to back their opinion by selling Chicago futures and buying Winnipeg. Later they had to revise their opinion as to relation of the Chicago market to the export level, and to admit that the Winnipeg market was bound to keep under Chicago by enough to restrict the export business from this continent practically entirely to Canada, and in many cases had closed out their transactions. But later they observed that the discount of the Winnipeg market under Chicago was considerably wider than seemed necessary to effect this purpose, and believed that government efforts to maintain prices for Canadian farmers would result in some considerable narrowing of the spread. They accordingly repeated their Winnipeg buying, which to some extent helped to carry the load of grain on the market, only to discover last week that there is under present conditions no necessary relation between the two markets, with the result that they were forced to abandon their position.

Grain and Milling in Canada

CONGRESS FAVORS SCHEME TO LIFT PRICE OF WHEAT

Hoover Likely to Veto But Roosevelt's Views Unknown

By M. M. WILNER

WASHINGTON.—Canadians must recognize that they have abundant reasons for feeling interested in the confident assertions that the Domestic Allotment plan for farm relief will be the first important measure which will mark the change of political power in the United States.

The bill to carry out this peculiar experiment is before the Agriculture committee of the House. The dominant leaders in that body are very positive in saying that it will be adopted. Its veto by President Hoover is assumed as a matter of course by his friends, but the proponents of the bill insist that if it does not become law at this session, a special session of the new Congress will be called soon after March 4th to enact it. Apparently no direct assurance has been given by President-elect Roosevelt that he favors the plan, but that understanding is drawn from some of his campaign speeches in the West. Arguments against the bill are met by the assertion that something must be done to break the vicious circle of low prices and industrial depression, and this is what those who have been vested with responsibility for the government have decided to do.

Tax Domestic Wheat Use

The feature of the bill which most concerns Canadians is the proposal to place a sales tax on the domestic consumption of wheat in the United States. This would equal the duty of 42 cents a bushel on imported wheat. If the domestic consumption should exceed 700,000,000 bushels, as it did in 1931, this tax would produce a revenue of nearly $300,000,000. That big sum would be used to cash government certificates which would be issued to each farmer when he sold his wheat. The certificates would be additional to the price which he would receive. They would amount for each farmer to the proportion which the estimated domestic consumption bore to the total crop. Thus if the estimators calculated that two-fifths of the crop would be exported, the farmer would receive certificates representing 42 cents a bushel for three-fifths of his crop. The condition to which he would have to subscribe would require him to reduce his planting for the succeeding year by whatever amount the government agents directed.

Anti-Dumping Laws

The vision held out to farmers is that they would receive from the tax on consumers 42 cents a bushel in addition to the 25 or 30 cents for which they have been selling their wheat in the fields. If the plan worked, the domestic price of wheat in the United States would be 42 cents above the world price, and only the exportable surplus above home needs would be sold at a lower price. That, of course, might be dumped at any figure above the cost of carriage, since the money from exports would be pure gain. The domestic price would have carried the business profitably. The possibility that this kind of competition might encounter anti-dumping laws in other countries appears to have been little considered.

The logical effect after the first year, however, would be to take the United States out of the wheat-exporting business, since the crop-reduction should reduce output to domestic needs. The United States has been a small factor in exportations to Europe for several years, but the farm agitators have been devising all sorts of plans to regain the former position.

Apply to Other Products

In addition to wheat the proposal is to place a tax of five cents a pound on cotton, four cents on tobacco and two cents on hogs to be distributed to producers on the same principles laid down for the wheat bounty.

The United States Farm Board is the agency expected to carry out the double purpose of giving farmers more money for their products and bringing about a reduction in supplies.

Could Acreage Be Cut?

The plan has been criticized from many angles, but the most vulnerable feature appears to be in the acreage reduction plan. It would be easy enough to get farmers to sign contracts to reduce wheat acreage, but it would be a matter of extreme difficulty to determine whether or not such reduction, if ordered, had actually been made. The natural pressure from each locality would be to secure as large a share of the allotment fund as possible. Moreover, since it would be wheat area that would be subsidized the natural desire of every farmer would be to maintain at all costs his area in wheat production in order that his share of the subsidy might never be reduced. The promoters of the scheme have thought it necessary to allow for additional acreage to qualify for the subsidy, provided that it is maintained in wheat without benefit of subsidy during a period of five years. Advocates of the scheme point to the British wheat subsidy as a precedent, while critics point out that the deliberate object of the British custom which subsidizes wheat farmers at the expense of flour consumers is an increased and not a decreased acreage. It is also pointed out that so heavy a tax on flour might well result in a good deal of switching to cheaper foods. In the Southeastern States, for example, corn meal is with many people a much more extensive article of diet than is flour and any increase in the proportionate cost of flour could easily result in a good deal of transfer of consumption to corn meal. The extensive bureaucracy which would have to be set up in order to develop such a scheme is also a point for criticism.

Incredible as it appears that so wide a departure from any established economic principles can be attempted, there can be no doubt that the prevailing opinion in Congress at this time favors it. Many minds may be changed as debate proceeds and a shake of the head by President-elect Roosevelt would dispose of the plan, but it is really a serious cloud in the economic sky at the moment.

Canada Controls Export But Cuts Surplus Little

Despite Fact That Country is Leading World With Vastly Increased Shipments, Surplus Stocks Are Larger Than Last Year

Canada is doing the bulk of the world's wheat export trade now.

During the first 19 weeks of the present crop year world's exports were as follows:

	bushels
U.S. and Canada	138,700,000
Australia	29,500,000
Argentine	15,000,000
Russia	13,700,000
Other	15,200,000
Total	212,100,000

Canada is doing well over 90 per cent of the North American trade. The 1932 exports to date, amounting to 109,000,000 bushels for a period practically the same as the one for which the above figures were compiled, compare with 62,000,000 bushels last year.

Russia is a small factor this year, having shipped only 13,700,000 bushels compared with 62,700,000 bushels a year ago.

Another interesting fact is that Canada has shipped all but 9,500,000 bushels of this year's exports out of Canadian ports as against 13,100,000 bushels shipped via U.S. ports last year.

Despite Canada's ability to hold the major portion of the world wheat trade, the total volume of shipments is not keeping up with world needs, as estimated by George Broomhall, Liverpool wheat export. To move the 704,000,000 bushels which Mr. Broomhall estimates the importing countries will require this year it will be necessary to speed up shipments from the 11,200,000 bushels weekly for the year to date to 14,900,000 bushels for the balance of the year.

While Canada is exporting rapidly there is no assurance in the present rate of outflow that the carryover at July 31 can be held down to the carryover of 1932.

The following table shows the statistical position of wheat in Canada at the end of November, 1932, with comparative figures for 1931:

	1931-32	1932-33
	(million bushels)	
Carry-over, July 31	134	131
New crop	304*	431‡
Total supplies	438	562
Domestic requirements	119	130†
Available supplies	319	432
Exports, August to Nov.	82	121
Bal. for export and c.-over	237	311

*Unrevised—probably too low.
‡Provisional estimate.
†Preliminary estimate.

The provisional estimate of the Canadian wheat crop is set at 431,200,000 bushels as compared with the preliminary estimate of 467,150,000 bushels or a reduction of 35,950,000 bushels in the case of the latest estimate. Taking into consideration the carryover of July 31, 1932, amounting to 130,948,901 bushels, total supplies of wheat in Canada at the beginning of 1932-33 amounted to 562,148,901 bushels. Allowing for domestic consumption estimated at 130,000,000 bushels, total supplies available for export and carryover in 1932-33 amounted to 432,148,901 bushels, or about 113,000,000 bushels more than the corresponding figure for last year.

During the four months ending November, exports for Canadian wheat amounted to 120,853,649 bushels compared with 82,133,711 bushels for the same months last year. On November 30, 1932, the quantity of wheat in Canada available for export and carryover amounted to 311,000,000 bushels compared with 237,000,000 bushels on the same date in 1931.

Monthly wheat letter of the Dominion Bureau of Statistics says:

"The arrival of the southern hemisphere crops will materially change the general situation that has existed since the beginning of the present crop year. A peculiar series of happenings brought about a situation during the past four and one half months whereby Canada became the chief source of supply for importing countries. The factors which entered into this situation were the poor crops in the Danube region, a light crop in Russia along with a serious food problem and the failure of the United States to compete on the world market. These three factors combined to throw the bulk of world trade in wheat during the past four months and one half in the direction of Manitoba, a physical opportunity of which Canada has taken full advantage.

"In contrast with the situation that has existed since the beginning of August the arrival of the southern hemisphere crops will materially broaden the supply situation. For the balance of the crop year Canada will have two important competitors in the wheat market, assuming that the United States will not greatly change its present relationship to external markets.

Favorable Australian Crop

"The 1932 wheat crop in Australia has developed under favorable conditions and from present indications 1932 production will amount to 200 or 210 million bushels as compared with a crop estimated at 189 million bushels last year. It is likely that a large share of the 1932 crop will be sold in the Orient as was the case during the past crop year.

"The Argentine Government on December 10 issued an official estimate of the 1932 crop placing production at 231 million bushels compared with 226 million bushels harvested last year. The Argentine wheat crop recently experienced unfavorable conditions and the yield was considerably reduced.

"During recent weeks considerable interest has been shown in the United States winter wheat crop. Private reports indicate that the condition of this crop—one of the largest crops in the world—is not satisfactory over wide areas. In particular Kansas, Oklahoma and Nebraska are mentioned."

Western Grain Crops Worth More in 1932 Than in 1931

According to the survey of the W. Sanford Evans Statistical Service, Winnipeg, gross value of the wheat, oats, barley, flax and rye grown in the prarie provinces during 1932 was $183,227,000, compared with $177,259,000 in 1931.

Both figures represent average values to the farmer, deductions having been made for freight and elevating charges. 1932 estimates are subject to revision.

These figures are gross and do not represent cash returns to farmers, as seed, feed and farm carryover are included in total production.

The distribution by crop districts and by provinces presents several interesting comparisons. In 1931 Alberta had the largest wheat production of the three provinces; this year Saskatchewan assumes its usual leading position having turned out some 80 million more bushels of wheat than last year, while Alberta production increased by about 25 millions. Manitoba wheat production almost doubled.

Southern Saskatchewan districts produced four times as much wheat as in 1931.

There was therefore a much better distribution by areas of agricultural produce than last year. Fair supplies of feed are available, and some cash can be realized from grain in most parts, a condition which contrasts sharply with the widespread drought of 1931 and attendant crop failure.

Prairie Provinces

	Production	Yield per acre	Gross value
Wheat—			
1932 ...	430,986	16.3	$135,662
1931 ...	302,112	11.9	130,909
Oats—			
1932 ...	273,966	30.7	$33,651
1931 ...	180,957	21.8	32,800
Barley—			
1932 ...	67,960	21.5	$11,464
1931 ...	50,422	15.7	10,587
Flax—			
1932 ...	2,450	5.5	$1,285
1931 ...	2,511	4.1	1,944
Rye—			
1932 ...	8,755	12.4	$1,165
1931 ...	4,455	6.3	1,019

Little Wheat Stored in U. S.

SOME uneasiness has been felt as to the value of Canadian grain in store in the United States, and the possible price effect of the discovery that most, if not all of such grain will now be shut out of Great Britain by the application of the British duty of two shillings a quarter against it, the same as if it had been produced in the United States. It is undeniable that the situation which has arisen may have a generally detrimental effect upon the price level for Canadian wheat, and in due course it may be found that wheat from the Eastern part of the prairies has lost some of its value due to one of the shipping routes previously favored being closed against it. At the moment, however, it is impossible to distinguish between the effect of this and of other factors in the market, and to say, for example, whether or not the higher prices now prevailing in Vancouver as compared with Winnipeg represent a premium at the latter port due to shipping demand, or a discount at Winnipeg. But so far as grain in the United States is concerned, quantities and grade of such wheat are such as minimize the danger. There are only about 16,500,000 bushels of Canadian wheat at present in the United States, which, while about the same quantity as last year at this time, is less than half of the quantity formerly regarded as normal. Of this, less than 4,000,000 bushels is in store in Buffalo elevators, nearly 6,000,000 bushels being carried afloat in vessels there, which unless British regulations are made tighter than now anticipated, could presumably be diverted for shipment out of Montreal when navigation re-opens. The remainder could be absorbed in a comparatively short space of time by shipment to continental countries.

Forwarders, because of alarm at the situation put comparatively small quantities of wheat across the lakes before the close of navigation, and moreover, were careful in their choice of grades. The greater part of the wheat now carried in the East, whether in Canada or in the United States, is either No 1 Northern or No. 1 Hard, with comparatively small quantities of No. 2 Northern, the grade in which the bulk of British buying is now concentrated, while continental countries have shown greater interest in the higher grades. The price effect of any discrimination by Great Britain as to shipping routes should therefore be minimized.

* * *

Lots of Wheat Yet in Country Houses

AN UNUSUALLY high percentage of the Western crop is still in storage in country elevators, as operators have delayed to move it forward until it was apparent what further disposition could be made of such grain. The large number of country elevators now in operation has relieved the pressure that used to exist for country space, and used to result in a competitive struggle to get railway cars for loading out grain as rapidly as possible. Some of the grain in store in Manitoba and Saskatchewan will move forward, although somewhat slowly, during the winter to fill up terminal space at the head of the lakes. A decidedly more rapid movement is probable if the 40,000,000 bushels now in store in Alberta country elevators is to be expected, in order to supply the continuing demand for wheat to be exported from Vancouver, and such elevators may be fairly well emptied before spring.

U. K. PREFERENCE ON GRAIN VIA U.S. MAY YET PREVAIL

Bennett Visit May Result in Benefit to Grain Producer

Negotiations in the United Kingdom as to the eligibility of Canadian grain, shipped to Britain via the United States, for the Imperial preference of six cents a bushel are not yet completed, and will be prolonged probably until the end of this month, according to latest reports. As suggested in The Financial Post last week, this delay in announcing a decision and Hon. R. B. Bennett's visit to London are not pure coincidence.

It is understood that the decision on the test shipment sent from Fort William to Liverpool, via Buffalo and New York, on the S.S. Laconia, will probably not be given out until Mr. Bennett returns to Ottawa, which will probably be about Dec. 28.

Consult with Premier

While it is the prerogative of the British Government to make its own decision without any reference to Canadian opinon, such action would not be in keeping with the spirit of the Ottawa agreements. There is opinion in Canada both for and against use of United States ports for wheat shipments, and Mr. Bennett is being consulted on the subject by British Customs officials before the announcement is made.

It was indicated in The Financial Post several weeks ago that the policy of the Canadian Government appeared to be against interference with developed routes for handling Canadian grain, including the Buffalo-Albany-New York route for winter shipments. In fact Mr. Bennett made this clear in a statement in the House of Commons. This announcement was discounted when the Liverpool customs authorities refused to allow the preference on the test shipment on the Laconia.

May Allow Preference

This decision was interpreted as indicative of the ultimate attitude of the British Customs headquarters in London, but Mr. Bennett's presence would now indicate that there is a distinct possibility that the preference will be allowed. Press reports have said in the last week that confidential information from London is to the effect that the preference will not be granted, but the general impression in informed quarters in the United Kingdom is understood to be that Canadian grain shipped through the United States will get the preference as long as its identity is kept clear. This would necessitate certificates that such grain was in bond at all times when passing through the United States.

In any event the decision will have far-reaching effects on those interested in the export and handling of Canadian grain. If the preference is allowed, western producers and exporters will feel that they have gained a distinct advantage from the Imperial preference, as they can ship through the least costly channel in winter, and still enjoy a protection in the British market. On the other hand Maritimes ports which have been looking forward to handling enormous quantities of wheat would be disappointed at such a ruling, as they are already under a handicap because of higher rail rates than those which prevail for the United States route.

Maritimes Route Costly

If the ruling is made that only grain shipped through Canadian ports is entitled to the preference, producers and exporters will probably feel that they have no benefit from the Imperial preference. It now costs 9.1 cents a bushel to ship to Maritimes ports from Georgian Bay against six cents a bushel by the United States route, from Buffalo to the Atlantic, and ocean transportation costs are understood to be higher from the Canadian ports by 1½ to 2 cents a bushel. Canadian railways would probably be flooded with wheat traffic for the export trade, and Maritimes ports, particularly Saint John and Halifax, would get the benefit of large grain handlings. Grain men feel that this would be at the expense of the western producer or exporter.

Halifax, Saint John to Get Grain Flow

From Our Own Correspondent

WINNIPEG.—Grain exporters look for a heavy movement in the next few months through Halifax and Saint John. While Vancouver can continue to supply shipments as large as may be required, it takes a long time for them to reach European markets, and there is always a considerable demand for wheat for fairly prompt delivery abroad. This can only be filled from the Atlantic seaboard, and the route through the United States is temporarily shut off by the added cost which exchange imposes on freight, besides uncertainty as to the British duty situation.

Lift Load on Market

From Our Own Correspondent

WINNIPEG.—Deliveries of wheat to country elevators in the west continue at little more than half a million bushels daily, or considerably less than current exports, so the load on the market is daily becoming somewhat less.

Institute Wheat Estimates Lower by 40,000,000 Bu.

But Season's Stocks in Exporting Countries Still Shown at 630,000,000 Bushels

On the basis of revised governmental estimates, world wheat production for 1932 is reduced 40,000,000 bushels to 3,673,000,000, or to virtually the 1931 figure, according to the November report of the International Institute of Agriculture.

Virtually all this reduction is due to lower estimates of wheat production in Canada where the estimate was reduced 36,000,000 bu. due to the discovery after thrashing of considerable kernel damage as a result of drought during the last stage of maturity. The other change of import is in Algeria, North Africa, where a reduction of 3,000,000 bushels is noted.

Carryover Now 630,000,000

This means that since the reduction has come from two exporting countries world exportable supplies as calculated a month ago by the International Institute at 1,300,000,000 bushels is now reduced to 1,260,000,000 bushels and that stocks remaining in the exporting countries instead of increasing during the season 1932-33 by 100,000,000 (as had been estimated) should now only be increased by 60 million bu. on the basis of the new figures and for the period Aug. 1, 1932 to July 31, 1933. In round figures, the season's stocks in these countries is now placed at 630,000,000 bu.

Commenting on the probability of import requirements declining, the institute says:

"These calculations are based on the maintenance of the probable estimate of the requirements of the importing countries which the institute forecast last month at 440 million bushels for Europe and 190 for the extra-European countries. It is too early to say whether this forecast should be modified considerably as official export figures are at present known only for two months, and are inadequate to give a fairly reliable idea of the situation. In any case, the quantity of world exports in the first two months of the current season—41 million bushels in August and 48 in September, giving a total of 89—already reveals the large contraction of world trade in wheat compared with last year, when it amounted to 66 million bushels in August and 77 in September, a total of 143 out of the total exports for the whole season of 800."

Revised production figures:

WORLD WHEAT PRODUCTION, 1926-32
(In millions of bushels)

	1932	1931	1930	1929	1928	1927	1926
Europe	1,514	1,433	1,358	1,453	1,411	1,275	1,216
North American	1,151	1,235	1,290	1,128	1,492	1,371	1,249
South American	276	268	972	220	400	338	272
Asia	397	408	458	382	342	393	382
Africa	129	132	118	135	118	118	110
Oceania	206	195	220	136	169	128	169
Totals	3,673	3,671	3,721	3,454	3,932	3,623	3,398
U.S.S.R.	....	....	988	698	808	797	915

SPECIAL GRADING OF GARNET WHEAT STARTS AUGUST 1

Bill Will be Introduced in House in February Session

From Our Own Correspondent

OTTAWA—The Federal government has decided to amend the Grain act, when parliament re-assembles next February, providing for the separate grading and binning of Garnet wheat.

This amendment was introduced last session but dropped by the administration after it had been approved by the Commons on two readings, approved by the Commons' committee on agriculture.

The separate grading and binning of Garnet is believed essential to maintain the high standard of Canadian wheat in foreign markets, but the enactment of the amendment will impose some hardship upon country and terminal elevators which will be compelled to provide the special bins required.

Effective Next Season

The change will become effective at the close of the crop year, July 31, next.

The government viewpoint is based upon reports of grain experts in the National Research Council, as well as upon a special investigation carried out in Europe by Chairman E. B. Ramsey of the Board of Grain Commissioners. These reports indicate that Garnet is a distinctly different type of wheat from Marquis and other western hard spring wheats. It differs, in milling qualities, almost as much as does Durum wheat.

In mixing Garnet with the ordinary spring wheat, therefore, the foreign millers are presented with a product that will not mill evenly. Separately, however, Garnet is considered a very valuable wheat, well able to win a market on its own. The result of separate binning, it is believed, will be to enhance the quality and therefore the value of Canadian exports.

Western Premiers Meet Winnipeg Grain Exchange

From Our Own Correspondent

WINNIPEG.—No official announcement has been made either by the premiers or by the council of the Winnipeg Grain Exchange as to the discussions which took place between the latter body and the premiers of the three western provinces last Saturday. It is understood, however, that the conference was invited by the premiers in view of requests which had been made to them for support of the idea of a government wheat board and in order to obtain some information as to influences affecting the course of prices, and particularly those which had caused the decline of the previous day.

Halifax Expects Wheat Activity

Heavy exports of wheat are expected to be handled through the Port of Halifax this winter according to advance information from F. C. Cornell, traffic manager of the Halifax Harbor Commissioners. Mr. Cornell, in an announcement states that already 1,250,000 bushels of grain have been booked for passage through the port, this quantity to be brought in before Dec. 15.

Southern Countries Ship

From Our Own Correspondent

WINNIPEG.—Southern hemisphere crops are now commencing to be shipped in considerable quantity. News of political troubles in the Argentine caused a brief flurry in prices, this week on the theory that they might be sufficient to interrupt shipments.

Winnipeg Grain Prices

Week to December 20

Crop year from Aug. 1, 1932 High	Low		Open Dec. 14	High for week	Low for week	Close Dec. 20
		Wheat				
.68½	.38	December	.42¾	.43	.38	.39¾
.67⅞	.40½	May	.45¾	.45¾	.40½	.42⅞
.54⅞	.41¾	July	.46⅞	.46⅞	.41¾	.43¼
		Oats				
.28⅞	.19⅝	December	.20⅝	.20⅝	.19⅝	.19⅞
.29½	.21⅜	May	.22⅝	.22⅝	.21⅜	.21½
.26	.21⅞	July	.23	.23	.21⅞	.21⅞
		Barley				
.35½	.25	December	.28¾	.28⅞	.26½	.26½
.38½	.26⅛	May	.29⅝	.29⅝	.26⅛	.26¼
.35¾	.26⅛	July	.....	.29¼	.26⅛	.26⅛
		Flax				
.87	.66¾	December	.68⅝	.70½	.67⅞	.69½
.94	.71¼	May	.73	.74¼	.71¼	.73
.79¾	.71⅝	July	.....	.74⅞	.71⅝	.73¾
		Rye				
.39⅝	.26½	December	.....	.30	.28½	.28½
.42⅞	.30¾	May	.32½	.33½	.31⅝	.31⅝
.37	.31⅝	July	.34⅛	.34¼	.32	.32⅛

GRAIN COMPANIES RESULTS COMPARE WELL WITH 1931

Volume of Handlings Offset Reduced Rate for Storage

From Our Own Correspondent

MONTREAL.—Financial results obtained by grain companies during the current crop year to date are reported to have been satisfactory. No figures on earnings have been made public but it is understood that revenues compare favorably with last year and that prospects for the balance of the period are not discouraging.

Progress has been due to the larger quantity of grain handled and its faster movement to seaboard in 1932 as contrasted with its lethargic progress last year. The crop recently harvested was of substantial proportions and elevator handlings have been higher by many millions of bushels.

Storage Rates Reduced

This satisfactory angle is offset to some extent by the reduction recently effected in storage charges. Rates have been cut from one-thirtieth of a cent a bushel a day to one-forty fifth of a cent, or a drop of one third. Though the unit of measure is small it has definite repercussions in considering the many millions of bushels which are stored by elevators during a crop year. Despite this, however, earnings are understood to have been maintained, for handling is the major source of an elevator's revenues.

In the last crop year grain companies did well. Though earnings in most cases were lower than in the previous period, heavy cuts were reported in bank loans, working capital positions were improved, and financial positions generally strengthened.

Higher Wheat Exports Through Canadian Ports

During the nineteen weeks to December 9 of the present crop year, 9,520,000 bushels of Canadian wheat was exported overseas via United States seaports out of a total export of 109,031,153 bushels, compared with 13,118,000 out of a total of 62,070,065 bushels in the corresponding period of 1931.

In other words 91.3 per cent of

Canada's wheat has been cleared to overseas countries via Canadian seaports whereas last year in the same period only 78.8 per cent went via the all-Canadian route, a gain for Canadian seaports over last year so far of 12.5 per cent.

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CAN. IND. ALCOHOL POSITION VIEWED

Lord Shaughnessy Reviews Problems Confronting Company

From Our Own Correspondent

MONTREAL.—Canadian Industrial Alcohol Co. experienced a drop of 30 per cent in volume of sales during the past fiscal year, according to a statement made by Lord Shaughnessy at the annual meeting of the shareholders. During the year, he continued, exports dropped 25 per cent and are today at the lowest point for the past ten years. Prices obtained today are at the lowest in the history of the company.

Even with the reduced volume, if prices of two years ago had been sustained during the past twelve months, it would have meant a difference of some $150,000 to the company. The causes of reduction in both volume and profits are beyond control of the directors. The most rigid economies have been effected. Personnel has been cut, salaries have been cut and economies effected everywhere possible.

Lord Shaughnessy pointed out that present conditions have resulted from the general depression and the consequent decrease in the purchasing power of the public together with the big decrease in the export volume. The export market today yields little or no profit. Although a request was made at the recent Imperial Conference to aid the Canadian distilleries, they have not received the same consideration as the other industries.

Joins Cameron & Co.

From Our Own Correspondent

MONTREAL.—Fred. W. Macdonald, member of the Montreal Curb Market and a director of the Standard Stock and Mining Exchange, has become associated with the brokerage firm of A. G. Cameron and Co., Toronto.

Mortgage Discount Ltd. Report Poor Season

From Our Own Correspondent

MONTREAL.—Mortgage Discount Ltd. report net profits of $29,289 for the fiscal year ended November 30, 1932. In addition there was a surplus from purchase and cancellation of preferred shares of $66,039 The entire amount was used in payment of taxes of $682 and providing $95,209 for losses on investments and real estate held for resale.

Surplus shows a slight reduction at $103,897 as compared with $104,460 at end of previous year.

In commenting upon operations in the past year, President Frank Carrel said that the year was one of the most disappointing and unsatisfactory in the company's history. To meet existing conditions certain mortgage investments and real estate equities were written down to conform in a measure with the present deflated values without materially affecting surplus.

Brandram Paint Orders for Spring Show Gains

From Our Own Correspondent

MONTREAL.—Paint orders secured for spring delivery by Brandram-Henderson Ltd. is good and in recent weeks the amount of business obtained shows a distinct improvement over last year, according to Norman Holland, managing director of the company. No details on earnings have been made available during the current year; in 1931 net earnings totalled $100 and after charges a loss of $245,123 was reported.

Three Rivers Retail Business

A retail business turnover of more than ten million dollars was shown by the City of Three Rivers in the year 1930, according to census figures just to hand. There were 423 retail stores with sales of $9,899,300 and 157 service establishments with $605.000 receipts.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING DECEMBER 19

Range 1932 High	Low	Divd. Rate in $	Yield in % Dec. 17		Sales	Close Dec. 12 (or last)	Week Ending Dec. 19 High	Low	Close
3.25	.30	.	...	Abitibi	1400	.35	.25	.25	.25
10	1	.	...	Do. pref.	310	1	1½	1	1
x105	80	.	...	Do. pref.	....	..	..	..	..
80	80	7	...	Acme F. D'y, p	....	80	..	..	..
5	4½	.	...	Agnew Surp.	....	5	..	..	..
70	60	7	11.7	Do. pref.	....	60	..	..	..
7¾	3½	.	...	Alta. Pa. Gr.	....	5	..	..	..
45	19	.	...	Do. pref.	....	25	..	..	..
3¼	1½	.	...	Amal. Electric	....	1½	..	..	..
11	5	.	...	Do. pref.	25	7	5	5	5
x3½	2½	.	...	Anglo. N. Hold.	....	..	..	..	..
.30	.15	.	...	Asbestos	....	.20	..	..	..
1.00	.50	.	...	Do. pref.	....	.50	..	..	..
7	4	60c	10	Assoc. Brew.	....	6	..	..	..
72	65	7	10	Do. pref.	50	70	70	70	70
3	3	.	...	Assoc. Can.	....	3	..	..	..
x69	65	.	...	Assoc. Tele.	....	..	..	..	..
30	16	.	...	Atlan. Sugar	....	20¾	..	..	..
120	92	.	...	Do. pref.	....	120	..	..	..
159¾	127	10	7.9	Bk. Can. Nat.	....	128½	..	..	..
225	150	10	5.3	Bk. Montreal	209	190	191½	188	189
275	238	14	5.4	Bk. N. Scotia	52	260	260½	254	260½
193	125	10	6.2	Bk. Toronto	112	165	161	160	160
10¼	10¼	.	...	Barcelona	....	10¼	..	..	..
3	1	.	...	Bathurst Pr.	10	1	1½	1½	1½
1½	½	.	...	Do. (B)	....	1½	..	..	..
x26	26	.	...	Bawlf Grain	....	..	..	..	..
20	15	.	...	Do. pref.	....	15	..	..	..
5	3	.	...	Beath & Sons	100	4	5	5	5
10½	8½	.	...	Beatty Bros. A	....	7	..	..	..
60	41	6	10.5	Do. pref.	....	57	..	..	..
3.50	.40	.	...	Beauharnois	8239	1.00	1.12	1.00	1.00
63	60	7	11.1	Belding Cort.	10	60	63	63	63
90	65	7	7.8	Do. pref.	....	90	..	..	..
120	75	7	7.4	Bell Telephone	512	93½	94½	92⅛	93
5	2	.	...	Biltmore Hats	50	5	5	4	4
63	50	7	11.1	Do. pref.	....	63	..	..	..
4	1½	.	...	Bissell, T. E.	....	1½	..	..	..
x97	88	.	...	Do. pref.	....	..	..	..	..
8	2	.	...	Blue Ribbon	....	2½	..	..	..
25	9	2	14.3	Do. pref.	10	14	14	14	14
20	17	2	10	Brant. Cd. pf.	25	20	20	20	20
14¾	7¾	.	...	Brazilian Tr.	9408	9	10	8⅞	9⅞
1.00	.40	.	...	Brew. & Distil.	....	.65	..	..	..
1	⅛	.	...	Brewing Corp.	....	⅛	..	..	..
3½	1	.	...	Do. pref.	....	1	..	..	..
11½	7½	80c	10.2	Brit. Amer. Oil	16102	8	8⅛	7½	7⅞
3.50	.60	.	...	B.C. Packers	....	1.12	..	..	..
8½	4	.	...	Do. pref.	25	6	6	6	6
28	15	2	10.9	B.C. Power (A)	1125	17½	18½	17	17¾
7¼	3¾	.	...	Do. (B)	121	4⅞	4¾	4½	4¾
6½	2	.	...	Bruck S. Mills	10	4	4	4	4
20¼	10	1	8.1	Building Prod.	30	12	12½	11	11
32	17	2.40	9	Burt, F. N.	....	26½	..	..	..
125	120	6	5	Calgary Pr.	....	120	..	..	..
4	1	.	...	Canada Bread	....	1	..	..	..
85	80	7	8.2	Do. pref. A.	....	85	..	..	..
25	10	.	...	Do. pref. B.	....	10	..	..	..
9	6½	1	13.3	Canada Bud	335	7	7½	7	7½
7	2	.	...	Canada Cement	716	3	3⅛	2⅞	2¾
66	15¾	.	...	Do. pref.	130	16½	18	16	16
b15	6	1	10.6	Canada Dry	4800	9½	9⅞	8⅞	9⅞
6	2	.	...	Can. Forg. (A)	....	2	..	..	..
7½	2	.	...	Do. (B)	....	7½	..	..	..
15	15	.	...	Canada Iron	....	15	..	..	..
x80	75	3	...	Do. pref.	....	..	..	..	..
15¼	8½	1.50	10.9	Can. Malting	230	14⅜	14⅜	13½	13¾
17	9	80c	5.9	Can. Nor. Pr.	....	13½	..	..	..
92	52½	7	10	Do. pref.	38	67	70	67	67
x6	6	.	...	Can. Paving	....	..	..	..	..
6¾	6	.	...	Do. pref.	....	6⅞	..	..	..
186	135	12	7.4	Can. Perman.	14	160	165	163	163
1.00	.50	.	...	Can. Pr. & Pa.	....	.55	..	..	..
3½	¼	.	...	Can. Steamsh's	5	2	1½	1½	1½
11⅛	1	.	...	Do. pref.	153	3	3	2¼	3
17	9¼	1.60	11.8	Can. Vinegars	10	13	13½	13½	13½
55	28¼	.	...	Can. W. Cable	....	32	..	..	..
18	4	.	...	Do. (B)	30	9	9	9	9
8	2½	.	...	Cons. Bakeries	....	1¼	..	..	..
14	5	.	...	Do. pref.	....	5	..	..	..
191	123	10	7.3	Can. Bk. Com.	140	136½	137	136½	136½
18	9	1.25	7.8	Can. Bronze	....	16	..	..	..
102	70	7	7.4	Do. pref.	....	95	..	..	..
6¾	1½	.	...	Can. Canners	30	3½	3¼	3¼	3¼
80	40	6	10.9	Do. 1st pfd.	6	55	55	55	55
9	3½	40c	6.9	Do. 2nd pfd.	90	5½	5¾	5½	5½
8½	2¼	.	...	Can. Car & F'y	835	3¼	3½	3	3½
19¼	10	1.75	15.5	Do. pref.	295	11	11½	10½	11½
12¼	3⅞	.	...	Can. Celanese	100	12	9	9	9
84½	42	7	8.5	Do. pref.	130	84½	84½	80½	80½
20	16½	2	12.1	Can. Convert.	....	16½	..	..	..
50	45	.	...	Can. Cottons	....	..	..	..	..
60	48½	6	12.2	Do. pref.	....	49	..	..	..
17	7	1	7.4	Can. Dredge	102	13½	13½	13	13½
92	92	7	...	Do. pref.	....	..	..	..	..
68	60	6	10	Can. Fairb. pf.	....	60	..	..	..
4	3	.	...	Can. For. Inv.	....	3	..	..	..
65	55	.	...	Do. pref.	....	55	..	..	..
180	110	4	3.6	Can. Gen. Elec.	....	110	..	..	..
59	50	3.50	6.3	Do. pref.	111	55	55½	54½	55
3¾	3¾	.	...	Can. G. Inv. T.	....	3¾	..	..	..
66	29	6	15.8	Can. Hyd. E. p	183	46	45¾	38	38
3⅛	½	.	...	Can. Ind. Alc.	743	2	2¼	2	2
2.25	.30	.	...	Do. (B)	....	1.25	..	..	..
x5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
x70	64½	.	...	Do. pref.	....	..	..	..	..
21	15	1	6.1	Can. Lt. & Pr.	....	16½	..	..	..
1¼	1	.	...	Can. Locomo.	....	1	..	..	..
x25	5	.	...	Do. pref.	....	..	..	..	..
2½	½	.	...	Can. Marconi	3900	1	1½	⅞	1
13	7	1	10.1	Canadian Oil	25	9¾	9⅞	9⅞	9⅞
100	84	8	8.1	Do. pref.	....	98½	..	..	..
22¼	8½	.	...	Can. Pacific	14471	15	16⅜	14⅜	15¼
3	1¼	.	...	Can. Vickers	....	3	..	..	..
20¼	20¼	.	...	Do. pref.	....	20½	..	..	..
3¼	1	.	...	Can. Wineries	50	1¼	1½	1½	1½
7½	4	1	20	Can. Wire Box	83	4	5	5	5
12	7	.	...	Catelli Mac. A	....	7	..	..	..
x5	5	.	...	Do. (B)	....	..	..	..	..
301	290	10	...	Cent. Can. L'n	....	..	..	..	..
2.05	.50	.	...	Chem. Research	200	.70	.70	.70	.70
1	1	.	...	Claude Neon	....	1	..	..	..
8½	3	.	...	Cockshutt Plow	350	4	3⅞	3⅜	3¾
2	½	.	...	Comm. Alcohol	....	1½	..	..	..
3¾	1	.	...	Conduits	....	1¼	..	..	..
x94	84	7	...	Do. pref.	....	..	..	..	..
8	2⅝	.	...	Cons. Bakeries	90	3	2¾	2⅝	2¾
5	1	.	...	Cons. Industries	....	1	..	..	..
4	4	.	...	Cons. Paper	....	4	..	..	..
15	5	.	...	Cons. Press	....	7	..	..	..
35	30	.	...	Cons. Sand pf.	....	35	..	..	..
102	25	.	...	Cons. Smelters	683	61½	64	60	61½
175	142	10	5.8	Consumers Gas	59	173	174	171½	171½
‡85	30	.	...	Cooksville Co.	....	..	..	..	..
‡85	85	.	...	Do. pref.	....	..	..	..	..
‡90	90	.	...	Corr. P. Box, p	....	..	..	..	..
3¼	2¼	.	...	Cosgrave Brew.	....	2½	..	..	..
5⅛	2	.	...	Cosmos Imp.	....	3	..	..	..
68	40	3.50	7.4	Do. pref.	....	47½	..	..	..
3¼	2	.	...	Crown Dom. Oil	....	2½	..	..	..
20	8	6	...	Crow's N. Coal	....	15	..	..	..
1½	1½	.	...	David & Fre. B.	....	1¼	..	..	..
x12½	12½	.	...	De Havilland	....	..	..	..	..
15	10	.	...	Do. pref.	....	10	..	..	..
x9	5	.	...	Disher Steel	....	..	..	..	..
x10	10	1.50	...	Do. pref.	....	..	..	..	..
7⅛	3¾	.	...	Distill-Seagram	347	4⅞	5	4⅞	4⅞
7	7	.	...	Dodge "A" pf.	....	7	..	..	..
2	1½	.	...	Do. (B)	....	2	..	..	..
194	125	10	7.1	Dom. Bank	7	140	140	140	140
27	9	2	13.8	Dom. Bridge	1701	14	14¼	13	14¼
x40	40	.	...	Dom. Coal	....	..	..	..	..
22¼	12	.	...	Dom. Engineer.	....	13	..	..	..
78	30	5	8.3	Dom. Glass	100	60	60	60	60
112	85	7	6.9	Do. pref.	....	102	..	..	..
5¼	1	.	...	Dom. Motors	100	2	2⅛	1¾	1¾
7¾	2	.	...	Dom. Pr. Stubs	....	2	..	..	..
3	1	.	...	Dom. St. & C B	1060	1¼	1¼	1	1
20¼	13	1.20†	7.3	Dom. Stores	120	17	17	16	16
5	2	.	...	Dom. Tar & Ch.	....	2½	..	..	..
30	15	.	...	Do. pref.	....	17	..	..	..
63¼	39	5	9.6	Dom. Textile	42	51½	52	51¼	51⅝
105	70	7	7	Do. pref.	5	102	100	100	100
x12	10	.	...	Donnacona	....	..	..	..	..
3	¼	.	...	Dryden Paper	525	1¼	1¼	1¼	1¼
4	2	.	...	Duff. Paving	....	2	..	..	..
49	26	.	...	Do. pref.	....	26	..	..	..
20	3	.	...	East. Koot. Pr.	....	3	..	..	..
x97	94⅛	.	...	Do. pref.	....	..	..	..	..
16	5	.	...	East. Dairies	30	5	5	5	5
9½	9¼	.	...	East. Steel	....	9½	..	..	..
74	74	7	9.4	Do. pref.	....	74	..	..	..
‡34	28½	2	...	East. Theatres	....	..	..	..	..
x85	80	7	...	Do. pref.	....	..	..	..	..
1	1	.	...	Easy Washer	....	1	..	..	..
9	4½	75c	9.7	Economic Inv.	25	7¾	7¾	7¾	7¾
x15	15	.	...	Edmonton D'y	....	..	..	..	..
x80	78¾	6.50	...	Do. pref.	....	..	..	..	..
4	4	.	...	Enam. & Heat.	....	4	..	..	..
19	6	.	...	Eng. Electric	....	8	..	..	..
2½	1¼	.	...	Do. (B)	....	2	..	..	..
8	6	.	...	Fam. Players	....	7	..	..	..
10	7½	.	...	Do. Vot. Tr.	....	10	..	..	..
10	7	.	...	Fanny Farmer	5	8	8	8	8
29	25	2.40	9.6	Do. pref.	....	25	..	..	..
x83½	75	.	...	Firstbrook Box	....	..	..	..	..
16¾	5¾	.	...	Ford Motors A	865	7	7⅛	6½	6⅛
3⅛	1⅛	.	...	For. Pr. Secs.	....	2	..	..	..
9	4	.	...	Foundation Co.	....	4	..	..	..
1.25	.25	.	...	Fraser Cos.	....	.25	..	..	..
50	50	.	...	Front Brew.	....	50	..	..	..
50	50	.	...	Do. pref.	....	50	..	..	..
x8	5	.	...	Frost Steel	....	..	..	..	..
37	35	.	...	Do. pref.	....	35	..	..	..
2½	⅛	.	...	Gen. St. Wares	810	1	1	⅝	⅝
84	38	5	7.7	Goodyear Tire.	10	70	66	65	65
95	70	7	7.4	Do. pref.	96	93	94	91¼	91¼
x93½	93½	.	...	Gould Pumps p	....	..	..	..	..
1⅞	⅜	.	...	Gt. W Saddlery	....	¾	..	..	..
8	5	.	...	Do. pref.	....	8	..	..	..
21	7	60c	8.6	Gurd, Chas.	5	7	7	7	7
106	100	7	7	Do. pref.	....	100	..	..	..
5	2	.	...	Gypsum, Lime.	30	2	2½	2¼	2⅛
7	2	.	...	Ham. Bridge	15	2½	3	3	3
60	44½	.	...	Do. pref.	....	45	..	..	..
10	6	.	...	Ham. Cot. pf.	5	6½	6	6	6
2½	1½	.	...	Ham. U. Theat.	....	2½	..	..	..
53	30	7	...	Do. pref.	5	50	30	30	30
4	½	.	...	Hayes Wheel	....	½	..	..	..
4	4	.	...	Do. pref.	....	4	..	..	..
‡50	50	.	...	Hillcrest Coll.	....	..	..	..	..
‡91	91	.	...	Do. pref.	....	..	..	..	..
3	1	.	...	Hinde & Dauch	....	3	..	..	..
x75	75	.	...	Holt Renfrew	....	..	..	..	..
‡96¼	90	7	...	Do. pref.	....	..	..	..	..
3⅛	⅛	.	...	Honey Dew	....	½	..	..	..
40	10	.	...	Do. pref.	....	11	..	..	..
4	2	.	...	H. Smith Pap.	....	2½	..	..	..
27	16	.	...	Do. pref.	....	16	..	..	..
21¼	15	2	12.5	Humberstone S	30	16	16	16	16
17¾	6¼	1	12.5	Hunt (A)	....	8	..	..	..
x23¾	12½	1	...	Do. (B)	....	..	..	..	..
108	93	8	7.8	Huron & E. M.	....	102	..	..	..
18	17	.	...	Do. 20% pd.	....	18	..	..	..
11¼	4¾	.	...	Hydro Electric	....	6	..	..	..
193	130	10	6.6	Imperial Bank	7	150	152	150	152
11⅛	7⅜	50c	5.8	Imperial Oil	7198	8¾	8⅞	8½	8⅝
9⅝	6	35c°	4.1	Imperial Tob.	873	8¼	8⅜	8⅛	8⅛
x80	80	8	...	Inter. Coal, p.	....	..	..	..	..
6	6	.	...	Int. Hyd. E. A.	....	6	..	..	..
97	88½	7	7.6	Inter. Mill. pf.	....	92	..	..	..
80	77	6	7.5	Do. Series A	....	80	..	..	..
13½	4	.	...	Inter. Nickel	15015	9	9½	8¾	9
4	4	.	...	Inter. Paints	....	4	..	..	..
b4¾	½	.	...	Int. Pa & Pr A	1100	1	1	¾	¾
b2	½	.	...	Do. (B)	600	¾	¾	¾	¾
b1½	¼	.	...	Do. (C)	4100	..	..	..	..
b12⅝	2	.	...	Do. pref.	1900	2⅞	2⅞	2¼	2½
13½	9½	1	8.7	Inter. Pete.	3151	12	12	11⅛	11⅛
2½	2½	.	...	Inter. Power	....	2½	..	..	..
20	20	.	...	Do. pref.	....	20	..	..	..
11	2	.	...	Int. Util. (A)	190	6½	6½	6⅛	6½
4	½	.	...	Do. (B)	15	1½	1½	1½	1½
x40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
86	79	7	8.9	Do. pref.	....	79	..	..	..
4	2½	.	...	Kelvinator	55	2¾	2¾	2¾	2¾
90	55	7	12.5	Do. pref.	5	56	56	56	56
9¾	4	.	...	Lake of Woods	25	6	6⅛	6	6⅛
40	35	.	...	Do. pref.	....	35	..	..	..
x140	140	8	...	Landed Bank.	....	..	..	..	..
40	28	3	7.8	Laura Secord	30	39	38¾	38½	38½
8	1½	.	...	Lindsay, C. W.	....	2½	..	..	..
60	36	6.50	16.7	Do. pref.	....	39	..	..	..
12⅝	9	80c§	7	Loblaw (A)	336	11¼	11⅛	11⅛	11½
12	8	80c§	7.3	Do. (B)	70	11	11½	11	11
‡12¾	2¼	.	...	Loew's, London	....	..	..	..	..
x25	19	.	...	MacKin. Steel	....	..	..	..	..
x95	90	7	...	Do. pref.	....	..	..	..	..
8	6½	.	...	Manitoba Pr.	....	8	..	..	..
5	2	.	...	Maple Leaf	....	3	..	..	..
20½	8	.	...	Do. pref.	....	15	..	..	..
x38	30	.	...	Marcus Loew's	....	..	..	..	..
60	30	.	...	Do. pref.	....	30	..	..	..
5¾	2¼	.	...	Massey-Harris	691	3	2⅞	2½	2⅝
11⅞	7	60c	7.3	McColl. Fron.	880	8⅛	8⅝	7⅞	8¼
68	58	6	9.4	Do. pref.	....	64	..	..	..
x45	25	.	...	Mexican L & P	....	..	..	..	..
‡25	25	.	...	Mercury Mills	....	..	..	..	..
‡89	58½	.	...	Do. pref.	....	..	..	..	..
x40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
105	105	7	6.7	Do. pref.	....	105	..	..	..
8¾	3	.	...	Mitchell, Robt.	....	5	..	..	..
x1	1	.	...	Monarch Knit.	....	..	..	..	..
30	20	.	...	Do. pref.	10	20	20	20	20
75	45	6	12	Montreal Cot.	....	50	..	..	..
75	65	7	10.2	Do. pref.	....	68½	..	..	..
2½	½	.	...	Mont. Exhib.	15	½	½	½	½
11	5	.	...	Mont. Is. Pr.	....	5	..	..	..
39¼	20½	1.50	4.8	Mont. L. & Pr.	2435	31½	31½	30½	30¾
48	40	3+25	8.1	Montreal Loan	....	40	..	..	..
47	40	3.20	7.1	Montreal Tele.	45	45	45	45	45
150	90	10	9.5	Montreal Trams	15	112	105	105	105
11	4½	.	...	Moore Corp.	....	7	..	..	..
93	62	7	8.7	Do. (A)	....	80	..	..	..
97	69	7	7.9	Do. (B)	....	88½	..	..	..
‡10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
‡49	49	.	...	Do. pref.	....	..	..	..	..
2	½	.	...	Muirheads	25	¾	..	..	..
9	7	.	...	Do. pref.	15	9	7	7	7
24	9½	1.60	9.7	Nat. Brew.	698	17	16½	16	16½
28	25	1.75	6.4	Do. pref.	195	28	28	27½	28
¾	½	.	...	Nat. Brick	....	½	..	..	..
3	3	.	...	Do. pref.	....	3	..	..	..
18¼	16½	2.40	14.5	N. Sew. Pipe A	5	16½	16¼	16½	16½
13¼	6	80c	13.3	Nat. Steel Car	687	7½	7½	6	6¼
255	175	12	5.7	National Tr.	....	210	..	..	..
10	10	.	...	Niag. W. Weav.	....	10	..	..	..
20	16	.	...	Do. pref.	....	16	..	..	..
2.50	1.50	.	...	North Star Oil	....	1.50	..	..	..
4.00	4.00	35c	8.7	Do. pref.	....	4.00	..	..	..
‡25	25	.	...	N.S. Steel, pf.	....	..	..	..	..
150	90	8	6.7	Ogilvie Flour	5	117	120	120	120
112	96	7	6.5	Do. pref.	10	108½	108	108	108
9	4	.	...	Ont. Eq. 10% p	....	5	..	..	..
107	94½	6	5.8	Ontario Loan	7	106	103½	103½	103½
x7	5	.	...	Ont. Silknit	....	..	..	..	..
x16	13	.	...	Ont. Steel	....	..	..	..	..
‡105	105	.	...	Do. pref.	....	..	..	..	..
45	18	.	...	Orange Crush	....	..	..	..	..
½		.	...	Do. (A)	....	½	..	..	..
½	½	.	...	Do. (B)	18	½	..	..	..
100	87	6	6.7	Ott. L. H. & P.	....	90	..	..	..
100	90	6.50	7.2	Do. pref.	....	90	..	..	..
10	8	.	...	Ott. Traction	....	10	..	..	..
68½	35	3	6.4	Page Hersey	55	48	47	46¾	47
b11½	1½	.	...	Paramount	35700	2⅜	2⅛	1⅞	2
20	20	.	...	Paton Mfg.	....	20	20	20	20
x94	92	7	...	Do. pref.	....	..	..	..	..
⅜	¼	.	...	Pelissiers	....	¼	..	..	..
x30	25	.	...	Do. pref.	....	..	..	..	..
35	18	3	10.7	Penmans	....	28	..	..	..
80	65	6	8	Do. pref.	....	75	..	..	..
19½	8	.	...	Photo Eng.	15	10	10	9⅛	9⅛
x40	10	.	...	Port Alfred pf	....	..	..	..	..
x70	64	7	...	Porto Rico P p	....	..	..	..	..
b17½	1⅜	.	...	Postal Tele. p	....	..	..	..	..
36½	6	.	...	Power Corp.	317	8¼	8¼	8	8
90	25	6	14.3	Do. pref.	1	50	42	42	42
2	2	.	...	Prairie C. Oil.	....	2	..	..	..
17½	5	.	...	Pressed Metals	300	16	16½	16	16½
5	3½	.	...	Price Bros.	....	3½	..	..	..
x99	70	.	...	Do. pref.	....	..	..	..	..
29	9¼	1.50	11.5	Quebec Power	465	12½	13	12	13
105	105	7	6.7	Real Estate Ln	....	105	..	..	..
2.00	.25	.	...	Regent Knit.	....	60	..	..	..
10	5¾	.	...	Reliance Grain	....	9	..	..	..
12	6½	1	14.3	River. S. Mills	....	7	..	..	..
12	5	1	18.2	Robinson Cone	....	5¼	..	..	..
4	1	.	...	Rogers Majes.	....	1	..	..	..
171	120	10	7.5	Royal Bank	475	136	136½	132	132
x84	75	.	...	Ruddy, E. L. p	....	..	..	..	..
83	32½	1	3.1	Russell Motor	....	32½	..	..	..
70	35	7	17.5	Do. pref.	....	40	..	..	..
4	3	.	...	Sarnia Br. (A)	....	3	..	..	..
1	1	.	...	Do. (B)	....	1	..	..	..
7	3	.	...	Serv. Station	....	3	..	..	..
46	20	.	...	Do. pref.	5	25	25	25	25
33	7¼	50c	5	Shawinigan	2543	10½	10½	9⅝	10
20	5	.	...	Sher. Wms.	....	..	..	..	..
80	65	7	10.8	Do. pref.	55	65	65	65	65
17	5	.	...	Simon & Son	....	5¼	..	..	..
80	60	.	...	Do. pref.	....	60	..	..	..
55½	12	.	...	Simpson, Ltd.	6	15	15	15	15
x44½	36	.	...	Do. (A)	....	..	..	..	..
9	9	.	...	Do. (B)	....	9	..	..	..
82	62	6	7.5	Simpson, R., p.	10	74	82	80	80
25	10	1	6.7	So. Can. Pr.	10	16	15	15	15
90	60	6	7.6	Do. pref.	18	80	80	79	79
1.00	.80	.	...	St. Law. Corp.	35	.30	.40	.35	.40
4	1⅛	.	...	Do. (A)	25	3	1½	1½	1½
30	9	1.50	5	St. Law. Flour	....	30	..	..	..
99½	70	7	7	Do. pref.	....	99½	..	..	..
11	1⅜	.	...	St. Law. Pa. p	15	2½	2¼	2¼	2¼
3	1½	.	...	St. Pav. & Mat.	....	1¼	..	..	..
46	25	.	...	Do. pref.	....	29½	..	..	..
6	4	50c	...	Stand. Chem.	....	6	..	..	..
5⅞	1¼	.	...	Stand. Steel	....	2⅞	..	..	..
x35	30	3	...	Do. pref.	....	..	..	..	..
24	10¼	1.75	11.1	Steel of Can.	655	15	16	14⅞	16
30¼	20	1.75	6.2	Do. pref.	150	27¼	28	27	27
1	¼	.	...	Sterling Coal	....	1	..	..	..
18	9⅛	1	8	Sup. Pete. ord.	58	13½	14	12⅜	12⅜
16½	12	1	8.3	Do. com.	2	16½	12	12	12
98	90	7	7.3	Do. pref.	....	95½	..	..	..
300	290	.	...	Sun Life Assur.	....	290	..	..	..
42	35	.	...	Tamblyn	....	40	..	..	..
100½	88	7	7.9	Do. pref.	....	88	..	..	..
18	14½	3.50	24.1	Thayers, pfd.	....	14½	..	..	..
7	3	.	...	Tip Top Tailors	....	4	..	..	..
67	50	7	12.7	Do. pref.	....	55	..	..	..
x22	10	.	...	Tooke Bros.	....	..	..	..	..
x67	48½	.	...	Do. pref.	....	..	..	..	..
17½	7	.	...	Tor. Elevators	4	17½	16	16	16
210	125	10	6.2	Tor. Gen. Tr.	....	162	..	..	..
108	85	6	6	Toronto Mtge.	....	100	..	..	..
¼	¼	.	...	Traymore	....	¼	..	..	..
2¼	2	.	...	Do. pref.	....	2	..	..	..
120	103	7	6.7	Tuckett Tob. p	....	105	..	..	..
5	2	.	...	Twin City	....	5	..	..	..
b24½	7	.	...	Do. pref.	....	..	..	..	..
37	23	.	...	Do. (notes)	....	23	..	..	..
7	1¾	.	...	Union Gas	365	4¼	4	3¾	3¾
100	85	5	5.9	Union Trust	....	85	..	..	..
x8	8	.	...	United Fuel	....	..	..	..	..
15	3	.	...	Do. pref.	....	5	..	..	..
24⅛	18	2	10	United Secs.	....	20	..	..	..
11	5	.	...	Viau Biscuit	....	5	..	..	..
75	59	.	...	Do. pref.	....	59	..	..	..
12	4	.	...	Wabasso Cot.	....	6	..	..	..
8	2½	.	...	Walker-Good.	1782	5⅞	6	5⅝	5⅞
12	9	1	10.6	Do. pref.	2358	9⅝	9½	9⅜	9⅝
3¾	1	.	...	Waterloo Mfg.	....	1¾	..	..	..
80	75	7	...	W. Koot. Pr. p	....	80	..	..	..
8	5½	.	...	West C. Flour.	....	8	..	..	..
60	54	6.50	11.8	Do. pref.	....	55	..	..	..
12¼	10	.	...	West. Grocers.	....	11½	..	..	..
60½	43	7	11.6	Do. pref.	....	60	..	..	..
x91	85	.	...	W. Steel Pr. p	....	..	..	..	..
23	16½	1	4.9	Weston Bisc.	10	20¼	20¼	20¼	20¼
70	65	7	10.4	Do. pref.	10	69	67	67	67
10	3	.	...	Windsor Hotel	....	3	..	..	..
38	10	.	...	Do. pref.	....	11	..	..	..
8	2	.	...	Winnipeg Elec.	260	3	3⅛	3	3
20	6	.	...	Do. pref.	....	6	..	..	..
x46	46	.	...	Woods Mfg. p.	....	..	..	..	..
1	1	.	...	Zimmerknit, c.	....	1	..	..	..

x Quotations for 1931. No sales recorded in 1932 to date.
b New York Quotations.
‡ Quotations for 1930.
† Plus 30c. extra paid Jan. 2, 1932.
° Plus final div. of 17½c paid March 31, 1932.
§ Plus 20c. extra paid. Dec. 1.

Winnipeg Stock Exchange

(Transactions for week to Dec. 17)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Dec. 17
..	..	Amulet	200	.14	.14	.14
60c.	10	Assoc. Breweries c.	40	6	5⅞	6
..	..	Baltac Oil	1,000	.02½	.02½	.02½
..	..	Bobjo	2,000	.07½	.07¼	.07¼
80c.	10	Brit. American Oil	10	8	8	8
20	8.9	Great West Life	5	230	225	225
..	..	Home Investment	10	.25	.25	.25
..	..	Home Oil	100	.28	28	28
1.50	12.5	Quebec Power	5	12	12	12
..	..	San Antonio	33	.67	.67	.67
60c.	16.8	Teck Hughes	125	3.60	3.57	3.57
1.25	12.5	Untd. Grain Growers	2	10	10	10

Stocks Not Traded in During Week *

	Bid	Ask
Beaver Fire	..	100
Beaver Lumb. pf.	..	80
City Dairy 8% pf	..	80
Monarch Life 10% paid	15	..
Pelissiers pref.	10	..
Nor Can. Mtg. pf.	..	15
Northern Trust	..	25
Reliance Grain pf.	..	60
Sovereign Life 25% paid	12½	..
Traders Bldg. Assn.	68	75
West. Breweries	1¼	1½
West St. Prod., pf.	..	30
Can. Amer. Tr. shs.	..	2⅞
Fundamental Series "A"	..	3⅜
Fundamental Series "B"	..	3½
Grouped Inc. shs.	3.25	3.60

*Stocks more active on other exchanges not included.

Active Unlisted Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
Week Ending December 19

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.45	.70
Acadia Sugar 6% pfd.	2.60	....
Acme Farmers Dairy 7% pfd.	62.50	....
Acme Glove pfd. bonus c.	7.50	9.00
Agnew Surpass 7% pfd.	65.00	70.00
Allens Beach 7% pfd. bonus c.	31.00	....
Allens College 7% pfd. bonus c.	31.00	....
Allens London 7% pfd. bonus c.	31.00	....
Allens St. Clair 7% pfd. bonus c.	31.00	....
Allens St. Cath. 7% pfd. bonus c	31.00	....
Allens Toronto 7% pfd. bonus c.	15.50	....
Andian Nat. Corp.	20.50	23.00
B.C. Pulp & Paper pfd.	4.00	8.00
Burns pfd. bonus com.	4.50	5.75
Canada & Dom. Sugar	21.25	22.50
Canada Mach. c.	1.50	3.50
Canada Mach. pf.	12.00	20.00
Canada Pack. c.	10.50	12.75
Canada Packers 7% pfd.	69.00	72.00
Canada Starch 7% pfd.	62.00	68.00
Canada Tea 7% pf.	47.50	53.00
Canada Wire & Cable 6½% pfd. W.W.	72.50	74.00
Can. Industries c. "A"	72.00	75.00
Can. Industries c. "B"	72.00	74.00
Can. Industries 7% pfd.	113.00	115.00
Can. Westing.	36.00	38.50
Chase, A. W. pfd. bonus c.	....	17.00
Claude Neon Gen. Adv. Units	17.00	19.50
Claude Neon Gen. Adv. c.	.75	1.35
Dom. Foundries & Steel 7% pfd.	64.50	70.00
Dom. Foundries & Steel c.	....	4.75
Dunlop Tire 7% pfd.	42.00	44.00
Eastern Dairies Ltd. 7% pfd.	59.00	62.50
Edmonton Stockyards Units	....	52.00
Federal Grain 6½% pfd.	25.00	30.00
Gen. Steel Wares 7% pfd.	5.25	7.00
Goderich Elevator & Transit	7.25	8.50
Greening Wire 7% pfd.	....	63.50
Guardian Realty 7% pfd.	15.50	23.50
Guelph Carpet 6½% pfd. bonus	67.00	72.00
Guelph Carpet c.	4.00	....
Inter City Baking com.	....	20.50
Inter. Proprietaries "A"	23.00	24.00
Langleys Ltd. 7% pfd.	27.00	35.00
Loew's Lond. c.	.50	.95
Loew's London 7% pfd.	3.25	4.00
Maple Leaf Gdns. 7% pfd. bonus	2.65	3.12
Massey Harris 5% pfd.	12.00	13.50
Mount Royal Hotel com.	.25	.55
Mount Royal Hotel 6% pfd.	3.75	4.75
Nat. Grocers c.	.50	1.00
National Grocers 7% 2nd pfd.	37.00	41.00
National Sewer Pipe c.	6.25	....
Neilson, Wm., c.	4.50	....
Provincial Paper 7% pfd.	34.50	40.00
Reliance Grain 6½% pfd.	....	56.00
Rolland Paper 6% pfd. W.W.	30.50	32.50
Standard Clay Products c.	11.00	16.50
Standard Fuel 6½% pfd. bonus	56.00	58.00
Supertest Petroleum "B"	16.75	20.00
Toronto Brick 7% pfd.	....	41.00
Industrial Stocks:	**Bid**	**Asked**
Toronto Carpet 8% pfd.	....	85.00
Dom. Mfrs. 7% pf.	61.00	69.00
Toronto Elevators 7% pfd.	74.00	76.00
Western Grain 6½% pfd. bonus	19.00	24.00
Willards Choc. pfd.	....	22.00
Insurance Stocks:		
Br. Amer. Assce.	30.00	40.00
Canada Life Ass.	400.00	....
Can. Fire Ins.	55.50	60.00
Confeder. Life 20% pd.	133.50	141.00
Continental Life 20% pd.	39.50	50.00
Crown Life Ins.	85.00	100.00
Dom. Fire Ins.	80.50	....
Dom. Life 50% pd.	125.00	....
Dom. of Can. Gen. Ins.	110.00	125.00
Excelsior Life 30% pd.	81.00	85.50
Fidelity Ins. of Can.	....	70.00
Great West Life Assce.	227.00	250.00
Guarantee Co. of N. A.	200.00	230.00
Halifax Fire Ins.	9.25	10.75
Imp. Life Assce.	250.00	....
Mfrs. Life Ins.	228.00	240.00
Monarch Life 10% pd.	15.25	17.50
National Life 25% pd.	65.25	70.00
Saskatchewan Life 10% pd.	11.25	15.00
Sovereign Life 25% pd.	16.00	21.00
Sun Life Assur.	310.00	335.00
Western Assur. c.	14.00	18.00
Western Life 20% pd.	7.50	....
Trust & Loan Stocks:		
Can. Gen. Invest. Ltd.	3.00	3.20
Chartered Trust	62.00	64.50
Deb. & Sec. 5% pfd.	....	17.50
Eastern Can. Sav. & Loan	105.00	110.00
Eastern Trust	140.00	145.00
Guelph & Ont. Inv. par $50	45.00	50.00
Investment Foundation Units	19.00	23.00
Lambton Loan & Savings	52.00	57.00
London & Western Trust	83.00	85.00
Mortgage Disc. pf.	2.25	2.75
Mutual Finance 8% pfd.	....	2.25
Premier Trust	85.50	90.00
Provincial Bank	94.50	100.00
Security Loan & Savings	94.00	103.00
Sherbrooke Trust	100.00	110.00
Sterling Trust	52.00	57.00
Traders Fin. c.	.50	1.00
Traders Fin. 7% "A" pfd.	18.50	20.00
Trusts & Guar.	53.00	56.50
Victoria Trust & Savings	170.00	....
Waterloo Trust & Savings	95.50	120.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	85.00	88.00
Calgary Power 6% pfd.	63.00	65.00
Can. Light & Power c.	15.00	20.00
Can. West. Nat. Gas LH&P c.	17.00	24.00
Can. West. Nat. Gas LH&P 6% pfd.	68.50	70.00
Great Lakes Pwr. 7% pfd.	....	65.00
Maritime Tel. & Tel. c.	8.75	10.25
Maritime Tel. & Tel. 7% pfd.	9.50	11.25
N.B. Tel. c.	6.25	7.50
Nova Scotia L&P 6% pfd.	65.00	70.00
Recent London Quotations:		
Brewers & Distillers		4s. 3d.
Can. & For. sec.		3s. 9d.
Can. West. Lumber		9d.
Hudson's Bay		17s. 6d.
Do., 5 per cent		72s. 6d.
Internat. Holdings		$1⅝
Nfld. Pr. & Pap. deb. stock "B"		95½
Trust & Loan of Can.		2s. 6d.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Week Ending December 19

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	13.50	15.00
Acadia Sugar 6% 1946	84.00	87.00
Alta. Pac. Grain 6% 1946	68.00	71.00
American Sales Book 6% 1939	105.00	....
Arnold Bros. 6% 1947	30.00	40.00
B. A. Oil 5% 1945	86.00	88.00
Can. Biscuit 6½% 1946	27.00	32.00
Can. Bread 6% 1941	85.00	88.00
Can. Cement 5½% 1947	67.00	70.00
Can. Bakeries 6½% 1945	50.00	60.00
Can. Canners 6% 1950	80.00	84.00
Can. Copper Refin. 6% 1945	98.00	100.00
Can. Cottons 5% 1940	83.00	85.00
Can. Steamship 6% 1941	20.00	22.00
Can. Vickers 6% 1947	63.00	66.00
Cons. Invest. 4½% 1959	47.00	50.00
Cosmos Imp. Mills 6½% 1944	80.00	85.00
Davies, Wm. 6% 1942	88.00	90.00
Debenture & Sec. 4% 1936	53.00	56.00
Dom. Manufacturers 6% 1933	96.00	....
Dom. Tar & Chemical 6% 1949	57.00	60.00
Dom. Telegraph 5½% 1978 "A"	84.00	87.00
Dom. Textile 6% 1949	95.00	....
Dom. Woollens 6% 1948	8.00	15.00
Donnacona Paper 5½% 1948	16.00	18.00
Eaton Realty 5% 1949	81.00	83.00
Famous Players 6% 1948	68.00	71.00
Famous Players 6½% 1948	....	48.00
Federal Grain 6% 1949	65.00	69.00
Fraser Co. 6% 1932	10.00	....
Fraser Co. 6% 1950	10.00	....
Galt Brass 7½% 1941	....	80.00
Goodyear Cotton 6% 1949	94.00	96.00
Great Lakes Paper 6% 1950	16.00	17.00
Gypsum, Lime & Alab. 5½% 1948	38.00	42.00
Harris Abattoir 6% 1947	87.00	89.00
Howard Smith 5½% 1953	54.00	56.00
Loew's Toronto 6% Serial	99.00	....
London Realty 6½% 1950	45.00	50.00
Maple Leaf Milling 5½% 1949	....	50.00
Massey-Harris 5% 1947	58.50	62.00
McColl-Frontenac 6% 1949	85.00	86.00
McKinnon Industries 6½% 1945	93.00	97.00
Mercury Mills 5½% 1953	....	40.00
Metropolitan Bldg. 7% 1944	88.00	....
Nor. Ont. Bldg. 6½% 1939	68.00	72.00
Price Bros. 6% 1943	28.00	32.00
Richmond Bay 6½% 1947	62.50	68.00
Rolland Paper 5½% 1948	73.00	75.00
Simpsons' Ltd. 5½% 1949	50.00	60.00
Simpson's Ltd. 6% 1949	55.00	60.00
Steel of Canada 6% 1940	103.00	106.00
Toronto Carpet 6% 1944	75.00	80.00
United Gas & Fuel 5½% 1948	54.00	57.00
United Grain Growers 5% 1948	71.00	73.00
United Grain Growers 5½% 1949	73.00	75.00
Western Grain 6% 1949	59.00	62.00
Public Utility Bonds:		
Bell Telephone 5% 1955	110.00	112.00
Bell Telephone 5% 1957	109.00	112.00
B. C. Power 5½% 1960	82.00	86.00
B. C. Telephone 5% 1960	91.00	94.00
Calgary Power 5% 1960	77.00	83.00
Can. Northern Pwr. 5% 1953	74.00	78.00
Duke Price Pwr. 6% 1966	49.00	54.00
Elect. Develop. 5% 1933	113.00	118.00
French Natl. Mail SS 6% 1952	119.00	125.00
Gatineau Pwr. 6% 1941	55.00	57.00
Gatineau Pwr. 5% 1956	75.00	76.00
Inter. Power 6½% 1957	....	50.00
Maclaren Quebec 5½% 1961	72.00	74.00
Manitoba Power 5½% 1951	49.00	54.00
Montreal Isl. Pwr. 5½% 1957	99.00	101.00
Montreal LH&P 5% 1951	105.00	107.00
Montreal LH&P 5% 1970	103.50	105.00
Montreal Tram 5% 1941 July	95.00	97.00
Montreal Tram 5% 1955	74.00	77.00
Northwest. Utilities 7% 1938	91.00	95.00
Ottawa Valley Pwr. 5½% 1970	95.50	97.00
Quebec Power 5% 1968	90.00	94.00
Rio Tramways 5% 1935	84.50	86.00
Shawinigan W&P 4½% 1970	68.00	70.00
Shawinigan W&P 6% 1937	82.00	86.00
Shawinigan W&P 5% 1970	78.00	82.00
Southern Can. Pwr. 5% 1955	94.00	97.00
West Kootenay Pwr. 5% 1956	89.00	94.00
Government, Provincial & Railway Bonds:		
C.N.R. 4½% 1951 Dom. Gtd.	97.00	97.50
C.N.R. 4½% 1957 Dom. Gtd.	97.00	97.50
C.N.R. 5% 1969 Dom. Gtd.	103.50	104.00
C.P.R. 4½% 1944	78.00	80.00
C.P.R. 5% 1954	93.00	95.00
C.P.R. 6% 1942	100.00	102.00
Dom. of Can. 5% 1936	101.00	101.50
Dom. of Can. 5% 1941	101.25	102.00
G.T.P. 3% 1962 Dom. Gtd.	76.25	77.50
G.T.P. 4% 1962 Dom. Gtd.	90.00	91.00
Ont. Hydro 3½%, 4%, 5%, 1952 Ont. Gtd.	85.50	86.00
Ont. Hydro 4¾% 1970 Ont. Gtd.	94.50	96.00
Ont. Hydro 4% 1957 Ont. Gtd.	89.00	91.00
Prov. of N. B. 5½% 1950	99.50	100.50
Prov. of Ont. 4½% 1944	100.00	101.00
Prov. of Ont. 5% 1948	100.00	101.00
Prov. of Ont. 5½% 1947	104.25	105.00

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of
Agnew Surpass pref.	7%	1¾%	Jan. 3	Dec. 1
Associated Breweries	60c	15c	Dec. 31	Dec. 1
Do., pref.	7%	1¾%	Jan. 1	Dec. 1
B.C. Elec. Pr. & Gas pref.	6%	1½%	Jan. 3	Dec. 1
Brockville Trus c.	$3.50	87½c	Jan. 2	Dec. 20
Burt, F. N.	$2.40	60c	Jan. 3	Dec. 20
Do., pref	7%	1¾%	Jan. 3	Dec. 16
Brit. Amer. Oil (coupon 11)	80c	20c	Jan. 3	Dec. 16
Bk. of Nova Scotia	14%	3½%	Jan. 3	Dec. 17
Brazilian Traction, pref.	6%	1½%	Jan. 3	Dec. 16
Bell Telephone	$7	$1.75	Jan. 16	Dec. 15
B. C. Power "A"	$2	50c	Jan. 16	Dec. 23
Beaver Fire	...	$4	Jan. 2	Dec. 31
Brantford Cordage pfd.	8%	2%	Jan. 15	Dec. 1
British Mortgage Trust	$12	$6	Jan. 3	Dec. 20
Building Products "A" & "B"	$1	25c	Jan. 3	Dec. 17
Calgary Power c.	$6	$1.50	Jan. 2	Dec. 15
Canada Bread 1st pref	7%	1¾%	Jan. 2	Dec. 15
Canada Northern Power	80c	20c	Jan. 25	Dec. 15
Do., pref.	7%	1¾%	Jan 16	Dec. 31
Can Light & Power	$1	50c	Jan. 16	Dec. 31
Canadian Oil pref.	8%	2%	Jan. 2	Dec. 31
Can. Perm. Mortgage	12%	3%	Jan. 3	Dec. 20
Can. Cottons pref.	6%	1½%	Jan. 4	Dec. 15
Can. Gen. Investment	40c	10c	Jan. 2	Dec. 17
Can. Gen. Electric	$4	$1	Jan. 3	Dec. 15
Do., pref.	$3.50	87½c	Jan. 3	Dec. 15
Canada Trust	$10	$5	Jan. 3	Dec. 15
Central Can. Loan	10%	2½%	Jan. 3	Dec. 15
Canadian Car, pref.	$1.75	44c	Jan. 10	Dec. 15
Can. Celanese pref.	$7	$1.75	Dec. 31	Dec. 27
Do., on arrears	...	$1	Dec. 31	Dec. 17
Consumers' Gas	10%	2½%	Jan. 3	Dec. 17
Coniagas Mines	...	12½c	Jan. 10	Dec. 15
Canadian Canners 1st pfd.	$6	$1.50	Jan. 3	Dec. 30
Do., 2nd pref.	40c	10c	Jan. 3	Dec. 15
Canadian Dredge	...	$1	Feb. 1	Dec. 15
Do., pref.	7%	1¾%	Feb. 1	Jan. 16
Can. Westinghouse	$2	50c	Jan. 3	Jan. 16
Crescent Creamery, pfd.	7%	1¾%	Jan. 16	Dec. 20
Crown Trust	7%	1¾%	Jan. 3	Dec. 31
Canada Bud Brew.	$1	25c	Jan. 16	Dec. 31
Can. Fairbanks, pref.	6%	1½%	Jan. 14	Dec. 31
Canada Dry	$1	25c	Jan. 16	Dec. 31
Dominion Bridge	$2	50c	Feb. 15	Jan. 3
Do.	...	50c	May 15	Jan. 31
Dome Mines	$1	25c	Jan. 20	Apr. 29
Do., extra	...	10c	Jan. 20	Dec. 31
Dom. Fire Insurance	$6	$3	Jan. 3	Dec. 31
Dominion Bank	$10	$2.50	Jan. 3	Dec. 27
Dominion Stores	$1.20	30c	Jan. 1	Dec. 20
Dom. Textile	$5	$1.25	Jan. 3	Dec. 15
Do., pref.	7%	1¾%	Jan. 16	Dec. 15
Dominion Glass	5%	1¼%	Jan. 2	Dec. 31
Do., pref.	7%	1¾%	Jan. 2	Dec. 15
Dominion Rubber pfd.	7%	1¾%	Dec. 31	Dec. 15
Eastern Trust	8%	2%	Jan. 3	Dec. 21
Eastern Theatres pfd.	7%	3½%	Jan. 31	Dec. 15
Ensign Insurance	$6	$3	Jan. 3	Dec. 31
Eastern Steel pref.	7%	1¾%	Jan. 13	Dec. 27
Freiman A. J pref.	6%	1½%	Jan. 2	Dec. 19
Fanny Farmer, pref.	$2.40	60c	Jan. 4	Dec. 15
First All-Can. Trustee Shs. Coupon (4)	...	30c	Dec. 31	......
Goodyear Tire	$5	$1.25	Jan. 3	Dec. 16
Do., pref.	7%	1¾%	Jan. 3	Dec. 16
Great West Life	$20	$5	Jan. 2	Dec. 20
Gurd, Chas.	60c	15c	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 2	Dec. 15
General Trust pfd.	$6	$1.50	Jan. 3	Dec. 24
Goderich Elevator	50c	25c	Jan. 2	Dec. 15
Hunt's "A"	$1	25c	Jan. 3	Dec. 19
Do., "B"	$1	25c	Jan. 3	Dec. 19
Highland Dairy pfd.	7%	1¾%	Jan. 3	Dec. 23
Holt Renfrew pref.	7%	1¾%	Jan. 3	Dec. 27
Hamilton United Th. pref.	7%	1¾%	Dec. 31	Dec. 15
Huron & Erie Mtge.	$8	$2	Jan. 3	Dec. 15
Halifax Fire Ins.	90c	45c	Jan. 3	Dec. 10
Hollinger Cons. Mines	65c	5c	Dec. 31	Dec. 15
Imperial Tobacco, ord.	35c	8¾c	Dec. 31	Nov. 30
Inter. Nickel, pref.	7%	1¾%	Feb. 1	Jan. 3
Imperial Bank	10%	2½%	Feb. 1	Dec. 31
Industrial Mortgage	$4	$2	Jan. 2	Dec. 15
Intercolonial Coal	$2	$1	Jan. 3	Dec. 21
Do., pref	$8	$4	Jan. 3	Dec. 21
Investment Foundation, pfd.	3%	38c	Jan. 16	Dec. 31
Do., on arrears	...	12c	Jan. 16	Dec. 31
Inter. Hydro-Elec. pfd.	$3.50	87½c	Jan. 16	Dec. 28
Jamaica Pub. Ser. c	$1	25c	Jan. 3	Dec. 19
Jamaica Pub. Ser. pfd.	7%	1¾%	Jan. 3	Dec. 19
Landed Bank. & Loan	$8	$2	Jan. 3	Dec. 15
Loew's London Theatres pfd.	7%	*5¼%	Dec. 31	Nov. 19
London Life Insurance	$8	$2	Dec. 31	......
Montreal L. H. & Pr.	$1.50	38c	Jan. 31	Dec. 31
Midland & Pac. Grain pfd.	7%	1¾%	Jan. 3	Dec. 24
Moore Corp. "A" pref.	7%	1¾%	Jan. 16	Jan. 3
Do., "B" pref.	7%	1¾%	Jan. 16	Jan. 3
Montreal Telegraph	$3.20	80c	Jan. 16	Dec. 31
Maritime Telegraph	80c	20c	Jan. 3	Dec. 15
Do., pref.	70c	17½c	Jan. 3	Dec. 15
McColl Frontenac pref.	$6	$1.50	Jan. 14	Dec. 31
Mitchell, J. S., pref.	7%	1¾%	Jan. 2	Dec. 16
Midland Loan & Savings	$1	50c	Jan. 3	Dec. 15
Mtl. City & D. Bank	$12	$3	Jan. 3	Dec. 15
Do., extra	...	$1	Jan. 3	Dec. 15
New England Power pfd.	6%	1½%	Jan. 3	Dec. 9
Do., pref.	$2	50c	Jan. 3	Dec. 9
Do., com.	$2	50c	Jan. 3	Dec. 9
National Trust	12%	3%	Jan. 3	Dec. 21
National Biscuit	$2.80	70c	Jan. 14	Dec. 16
National Steel Car	80c	20c	Jan. 2	Dec. 22
North Star Oil, pref.	7%	1¾%	Jan. 3	Dec. 15
Northern Ont. Power	$2	50c	Jan. 25	Dec. 31
Do., pref.	6%	1½%	Jan. 25	Dec. 31
National Breweries	$1.60	40c	Jan. 2	Dec. 15
Do., pref.	$1.75	43c	Jan. 2	Dec. 15
N.S. Light & Pr. c.	$4	$1	Jan. 3	Dec. 17
N.B. Telephone c.	50c	12½c	Jan. 15	Dec. 31
Ontario Loan & Deb.	12%	3%	Jan. 3	Dec. 15
Ogilvie Flour com.	$8	$2	Jan. 3	Dec. 22
Ottawa L. H. & Pr.	6%	1½%	Dec. 31	Dec. 15
Do., pref	6½%	1⅝%	Jan. 1	Dec. 15
Page Hersey Tubes	$3	75c	Jan. 3	Dec. 20
Do., pref.	7%	1¾%	Jan. 3	Dec. 20
Pioneer Gold (B.C.)	24c	6c	Jan. 2	Dec. 10
Premier Gold	12c	3c	Jan. 3	Dec. 15
Porto Rico Power pfd.	7%	1¾%	Jan. 2	Dec. 15
Provincial Paper pfd.	7%	1¾%	Jan. 3	Dec. 15
Power Corp. pref.	$6	$1.50	Jan. 16	Dec. 31
Do., 2nd pref.	$3	75c	Jan. 16	Dec. 31
Premier Trust	$6	$3	Dec. 31	Dec. 21
Riverside Silk Mills "A"	$1	25c	Jan. 3	Dec. 15
Real Estate Loan	7%	3½%	Jan. 2	Dec. 15
Security Loan com.	$7	$3.50	Jan. 3	Dec. 15
Sherwin Williams pref.	7%	1¾%	Dec. 31	Dec. 15
Southern Can Power pref.	6%	1½%	Jan. 16	Dec. 20
Southern Can Power c.	$1	25c	Feb. 15	Jan. 31
Standard Steel, pref. "A"	$3	75c	Jan. 1	Dec. 15
Sylvanite Gold	4c	2c	Dec. 31	Nov. 30
Do., extra	...	½c	Dec. 31	Nov. 30
Shawinigan W. & Pr.	50c	13c	Feb. 15	Jan. 21
Supertest Pete. "A" pfd.	7%	1¾%	Jan. 3	Dec. 15
Do., "B" pref.	6%	1½%	Jan. 3	Dec. 15
Do., com. & ord.	$1	25c	Jan. 3	Dec. 15
Silverwood's Dairies pfd.	7%	1¾%	Jan. 1	Dec. 20
Sovereign Life	$1.25	$1.25	Dec. 15	Dec. 1
Standard Fuel pfd.	$6.50	$1.62½	Jan. 1	Dec. 15
Spooner Oils	...	3c	......	Jan. 5
Toronto Gen. Trust	10%	2½%	Jan. 3	Dec. 17
Tamblyn pref.	7%	1¾%	Jan. 3	Dec. 24
Teck Hughes	60c	15c	Feb. 1	Jan. 15
Toronto Mortgage	$6	$1.50	Jan. 2	Dec. 15
Tuckett Tobacco, pfd.	7%	1¾%	Jan. 14	Dec. 31
United Securities	$2	50c	Jan. 16	Dec. 31
Weston, Geo., com.	$1	25c	Jan. 3	Dec. 20
Wellington Oils, com.	...	2c	Dec. 15	Dec. 14
Western Grocers pref.	7%	1¾%	Jan. 15	Dec. 20
Wright Hargreaves	10c	2½c	Jan. 3	Dec. 15
Do., extra	...	5c	Jan. 3	Dec. 15

*For the three-quarters of the year ending Dec. 31, 1931.

Dividends Passed or Deferred:

Consolidated Sand, pref., Feb. 15, to be deferred. Last paid 50c. Nov. 15, 1932.
Standard Paving, pref., Feb. 15, to be deferred. Last paid 50c. Nov. 15, 1932.
Home Investment & Savings, Jan. 3 passed. Last paid $1 Oct. 1, 1932.
Mackay Companies, pref., Jan. 3, deferred. Last paid $1 Oct. 1, 1932.
Viau Biscuit, 1st pref. Jan. 2, deferred. Last paid 1¾% Oct. 1, 1932.
Eastern Steel Products, c. Jan. 3 passed. Last paid 50c July 1, 1932.

Dividend Rate Reduced:

Halifax Fire Insurance Jan. 3, reduced from 60c to 45c semi-annually.
Gurd, Chas., com. Jan. 2, reduced from $1 to 60c per annum.
Canada Dry, Jan. 16, reduced from 30c to 25c quarterly.
Goderich Elevator Jan. 2, reduced from 35c to 25c semi-annually.
N.B. Telephone, c. Jan. 15, reduced from 15c to 12½c quarterly.

Dividend Rate Increased:

Pioneer Gold (B.C.) Jan. 2. Increased from 3c to 6c quarterly.
Intercolonial Coal, c. Jan. 3, increased from 50c to $1 semi-annually.

Extra Dividends:

Sylvanite ½c, Dec. 31.
Montreal City & D. Bank, $1 Jan. 3.
Wright Hargreaves, 5c Jan. 3.
Dome Mines, 10c, Jan. 20.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co.,
Canada Permanent Building, Toronto, Ont.
Dec. 19, 1932

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Apr.	85.50	5.56
Alberta	5	1 July, 1948	1 Jan.	93.00	5.88
Alberta	6	1 Mar., 1947	1 Mar.	98.50	6.16
*British Columbia	4½	1 Oct., 1953	1 Apr.	86.50	5.60
*British Columbia	5	15 Jan., 1948	15 July	96.00	5.38
British Columbia	6	15 Feb., 1947	15 Feb.	100.00	6.00
*Manitoba	4	1 July, 1947	1 Jan.	80.00	6.05
*Manitoba	5	2 Dec., 1959	2 June	94.50	5.39
Manitoba	6	1 Apr., 1947	1 Apr.	98.50	6.16
*New Brunswick	4	1 June, 1948	1 June	91.30	4.80
*New Brunswick	4½	15 June, 1936	15 Dec.	100.00	4.75
New Brunswick	5½	1 May, 1950	1 May	101.00	5.41
*Nova Scotia	4½	15 Nov., 1948	15 May	97.00	4.77
Nova Scotia	5	1 May, 1943	1 May	100.00	5.00
*Ontario	4½	1 Sep., 1944	1 Mar.	102.00	4.28
Ontario	5	15 Oct., 1948	15 Apr.	101.00	5.00
Ontario	5½	1 Feb., 1947	1 Feb.	105.00	5.01
P. E. I.	4	1 Apr., 1939	1 Apr.	93.70	5.15
P. E. I.	6	1 May, 1947	1 May	107.55	5.25
*Quebec	4½	1 May, 1961	1 May	98.00	4.37
Saskatchewan	4½	1 Oct., 1944	1 Apr.	84.50	6.37
Saskatchewan	5	1 Oct., 1950	1 Apr.	87.00	6.23
Saskatchewan	6	15 Mar., 1952	15 Mar.	94.50	6.50
*Newfoundland	5	31 Dec., 1952	31 Dec.	60.00	9.46
*Newfoundland	5½	1 July, 1939	1 Jan.	65.00	13.34
*Newfoundland	6½	30 June, 1936	30 Dec.	72.00	
Cities					
*Montreal	5	1 Sep., 1963	1 Mar.	106.55	4.60
*Toronto	4½	1 Jan., 1955	1 June	98.60	4.60
*Vancouver	5	15 Jan., 1970	15 July	88.50	5.75
Winnipeg	5	1 Mar., 1944	1 Mar.	91.75	6.00
*Edmonton	5½	1 Apr., 1947	1 Apr.	87.30	6.00
Calgary	5	1 Jan., 1943	1 Jan.	85.97	6.90
Halifax	6	1 July, 1951	1 Jan.	108.95	5.25
Saint John	5	15 Dec., 1950	15 June	97.10	5.25
Regina	4½	1 July, 1950	1 Jan.	74.65	7.00
Victoria	5	21 July, 1945	21 July	91.06	6.00
Quebec	5	21 June, 1948	1 June	101.00	4.90

*Payable in New York.

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CHEVROLET LED FIRST 11 MONTHS NEW CAR SALES

During November Ford Led All Makes in Sales

Ford again led all makes in sales of new cars in eastern Canada during November, with distribution of 277 cars in the month, compared with sales of 188 Chevrolets, the next in line. Frontenac came in third place for the month with sales of 63 new cars, followed by Pontiac with sales of 53, Plymouth with 39, Essex with 33, and Buick and Willis with 32 each, according to figures supplied to Canadian Automotive Trade by Might Directories, Ltd.

Chevrolets are still well ahead of Ford in sales for the first 11 months of the year despite the ground lost in the last two months. Sales of Chevrolets total 11,118 cars for the 11 months while Fords are in second place with sales of 10,249 cars. Next in total sales are Plymouths with 2,542, McLaughlin-Buicks with 1,925 and Pontiacs with 1,804.

Plymouth Made Gain

Only Plymouths among the ten leading makes show larger sales in the first 11 months of 1932, compared with the same period of 1931. Sales of Plymouths this year total 2,542 cars against 2,256 in the same period of 1931, and reflect the popularity of the altered design of the 1932 models.

Sales of new cars for November were 41.0 per cent below sales for October in response to the usual seasonal trend with the advent of colder weather. However, sales for November were below sales for the same month of 1931 by 44.4 per cent.

While sales of new cars in November were 44.4 per cent below the 1931 month, sales for the first 11 months of 1932 are only 38.9 per cent below sales for the same period in 1931.

Each Province Down

Sales by provinces in November show declines for each of the five recorded. Each province also shows substantially lower sales for the first 11 months of the year compared with the 1931 period.

The following tabulation indicates the changes in results for the ten leading makes and for each of the five provinces reported.

Automobile Sales in Eastern Canada
(Ten leading makes)

	Nov. 1932	Nov. 1931	Eleven Mos. 1932	Eleven Mos. 1931
Chevrolet	188	197	11,118	11,515
Ford	277	85	10,249	12,214
Plymouth	39	82	2,542	2,256
Buick	32	80	1,925	2,490
Pontiac	53	58	1,804	3,504
Dodge	12	39	1,226	1,305
Durant	5	51	1,191	1,633
Essex	33	13	1,100	1,526
Chrysler	28	29	1,033	1,787
De Soto	5	35	923	1,013

Automobile Sales by Provinces
(All makes)

Ontario	598	961	25,787	40,976
Quebec	218	390	9,405	15,250
N. B.	25	65	1,946	3,673
N. S.	75	141	2,932	5,372
P. E. I.	2	*	219	658
	918	1,557	40,289	65,929

*Not reported.
†October figures, last reported.

Dodge to Sell A New Model Under $1,000

An additional Dodge model, the DP, is to be introduced early in January at a price below the $1,000 mark, the Financial Post understands. The price of this car will be only about $50 above the price of the Plymouth for some models, according to recent reports.

This will be a six cylinder model with a larger body than in former Dodge models, and will feature the latest styles in interior and exterior equipment.

Russel Paige, vice-president in charge of sales for Dodge Bros. (Canada) Ltd., states that while the company is unable to announce full details of the new car at the present time, prices will be made known in a few days and the new cars will be on display at the National Motor Shows to be held in January.

Air wheel tires, jumbo style, will be used as standard equipment on the new model which is said to be one of the most luxurious sixes that the company has yet placed on the market.

Cars Owned in Ontario Equal Rest of Canada

Ontario has 517,176 motor passenger cars and trucks, or about as many as all the rest of Canada put together, according to the registrations this year up to October. The total for Canada is 1,051,336, which leaves 534,160 for the rest of Canada, but the Quebec total includes motor cycles.

Quebec has 162,917, British Columbia 88,629, Saskatchewan 88,265, Alberta 82,933, Manitoba 64,800, Nova Scotia 39,737. Prince Edward Island 6,879. The New Brunswick figures are not available.

Figuring roughly every one person in ten in Canada owns a motor car or a truck.

Winnipeg Plant Builds Extension

Steadily increasing business in their furniture department has decided the firm of Parkhill Bedding Limited, of Winnipeg, to build an extension to the present plant.

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New Chevrolet Appears

This is the new 1933 Chevrolet six coach as it will soon appear on the streets. Note the vertical section in the door window, by which new Fisher ventilation is operated. Air stream styling with skirted fenders is a novelty in the new models. The long engine hood and pointed radiator grid give the car a longer appearance than previous models.

CARS REGISTERED OFF 7.8% IN 1932

Ontario Shows Smallest Percentage Decline of Provinces

Motor vehicle registrations in Canada were 7.8 per cent lower for the first nine months of 1932 than in the same period of 1931, according to a report of the Dominion Bureau of Statistics. Total registrations were 1,051,336 vehicles compared with 1,140,673 in 1931.

Ontario showed the smallest percentage decrease and the largest numerical decrease in registrations during the nine months. The decline in this province was 29,660 vehicles or 5.4 per cent. Nova Scotia was next with a percentage decline of 6.6 per cent followed by British Columbia with 6.9; Quebec, with 7.0; Prince Edward Island, with 10.2, and Alberta, Manitoba and Saskatchewan with 11.6, 13.2 and 15.7 per cent declines respectively. New Brunswick figures are not available.

A total decline of 89,337 vehicles registered was shown, and of this, 70,382 was in passenger vehicles and 6,683 in commercial vehicles. The decline in passenger cars amounted to 8.4 per cent of the total of this class registered in the first nine months of 1931, whereas the decline in commercial vehicles registrations was only 5.3 per cent during the period.

Sales of gasoline amounted to 326,269 gallons in the first eight months of 1932 compared with sales of 360,908 gallons in the same period of 1931. This was a decline for all Canada of 9.52 per cent.

PUBLIC'S IDEAS ARE FEATURED IN CHEVROLETS

1933 Models Have Air Stream Body Styling

Chevrolet models for 1933, just announced, incorporate several new features of design in the low price field. These include Fisher no-draft ventilation, air stream styling with skirted fenders, synchro-mesh transmission with silent second gear, and starterator, operated by depressing the accelerator pedal. When the motor is running the pedal will only operate as an accelerator.

In a recent General Motors advertising campaign, the opinions of the motoring public were solicited for suggestions of improvements in motor car design. Some of the many plans suggested have been adopted in the new Chevrolets. Door handles have been placed lower and farther back so that sleeves do not catch, and door pocket storage space has been increased.

Other Popular Ideas

Among the ideas culled from the public expressions are these: One key is provided for all purposes. An accelerator pedal to fit the foot is provided instead of the elusive button. The tool kit contains a better jack. The battery is easier to get at, is of heavier construction, and is shielded against flying pebbles. Assist cords are of the strap type. Colors chosen for the cars are all in accordance with expressed consumer preference. Cars all have non-directional type aerials for radio. Louvres are found in the hood instead of doors, because the public wanted to eliminate manual adjustment of ventilation and improve motor operation.

Free Wheeling

Free wheling has been removed as standard equipment, but can be obtained as an extra by those who want it. Smaller wheels and larger tires are a feature peculiar to the Canadian Chevrolet cars as distinguished from the United States models. The larger tires give the same "rolling circumferenceence," as in the United States Chevrolet, but more air cushion.

The air stream styling and skirted fenders of the new models gives them a different appearance from previous Chevrolet models. It is a middle course between ordinary stream lining and "tear drop" design. he effect is obtained by slanting windshield louvres and windshield pillars on to the rear end, where the body is extended to curve over and hide the gas tank and under-carriage from sight.

STEVENS KNOCKS HIGH LOAN RATES

Says Distinction Should be Made for Legitimate Business Loans

In a recent address given before the Canadian Club, Victoria, B.C., Hon. H. H. Stevens, Federal Minister of Trade and Commerce, stated: "A sharper line of demarcation must be drawn between loans for purely speculative financing and financing for bona fide commercial enterprises and there ought to be something in the Dominion statutes to correct this and I think there will be."

The address concerned current topics, and included an attack on interest rates charged by banking and loan institutions. Mr. Stevens said he knew the man on the land could not afford to pay seven, eight or nine per cent for money with which to carry on his legitimate business. Six per cent, it was stated, is all he can pay. In response to the argument that there is too great a risk in loaning money, Mr. Stevens said that money should not be loaned where it is considered a risk.

Mr. Stevens said that in recent years before the depression it had been a simple matter for a syndicate to borrow money for speculative financing, but it had become more difficult for many men engaged in legitimate business to secure loans.

PRESS OF CANADA IN UNION AGAINST C. C. F. MOVEMENT

(Continued from page 9)

agitators, who use inflammatory language without being able to inform the country in any concrete manner as to what institutions they would set up in place of the well-tried institutions which constitute the basis of British civilization the world over."

Globe Opposed

The Toronto Globe says: "The C. C. F. is not trying to help the farmers, but to help socialism." The same paper advises farmers against the movement: "The Globe has no hesitation in urging the farmers of Ontario to shun such leadership, although it doubts that warning is needed . . . Socialistic schemes of all kinds require tremendous taxation, in proportion to their application, and the farmer knows too well already that lessened taxation is one of his major needs."

The London, Ont., Advertiser sees the C. C. F. as a temporary movement: "When the price level of farm products rises and prosperity begins to revive the C. C. F. crusade will lose its motive power."

More Ontario Opinions

The Windsor, Ont., Border Cities Star says that capitalism has survived because nothing better has been conceived, and that, although Mr. Woodsworth maintains our existing system is bankrupt, it does not believe that the great mass of Canadians are of his opinion. It sees the suggestion that the present order may be overthrown as sounding "like a threat."

The Kingston, Ont., Whig-Standard points out the weakness of the leaders of the movement and its principles: "To make it a permanent success, a political party needs two very important attributes—sound principles and safe and sane leadership. At the moment the C. C. F. seems to be lacking in both these characteristics."

The Peterborough, Ont., Examiner says: "We are opposed to the C. C. F. because we do not regard it as a farmer's movement, but as an attempt of Socialistic leaders who have tried other methods and failed to use the troubles of Canadian farmers as a means of attaining their ends."

The Brampton, Ont., Conservative states: "Farmers of Ontario who were misled in 1919 are not likely to repeat the error some of them made at that time. Good citizens should unite to make it impossible."

"Old Crowd on War Path"

The Midland, Ont., Argus also opposes the C. C. F. movement: "After the lapse of nine years the same old crowd, linked with a group of Western Socialists, is once more on the war path. Having ruined the farmer movement in Ontario they are today out for larger game. Having demonstrated how one province should not be governed, they seek to be entrusted with full authority to exploit a whole Dominion. They may mean well, but we have seen them in action before."

The Collingwood, Ont., Enterprise-Bulletin says: "Unrest and depression are usually the pater and mater of such movements, but in the past, the experience has been that seldom do the parents do much for their offspring," and questions what good such a third party can do.

The Pembroke, Ont., Standard-Observer expresses a similar opinion: "Even should this party make any headway, it is quite probable that history would soon be repeated and that we would again have the old parties, the Conservatives and the Liberals to the right and left of the Speaker, while this latest body to ask for our franchise would have gone the way of all flesh."

The London, Ont., Free Press thinks that the movement may result in the next election being fought "between those who believe in ordered British institutions, and those who would favor turning Ontario into a socialistic state."

Socialists vs. Anti-Socialists

The Chesley, Ont., Enterprise prophesies that "unless the economic depression is lifted within the next three years there will be only two parties in Canada, the Socialist and Anti-Socialist. The Anti-Socialist party will consist of the older electors of both parties and those with considerable at stake in the country."

The Alliston, Ont., Herald hopes farmers will not be carried away by the arguments of the C. C. F. group, stating: "there is reason to feel that some of their declared intentions would sink the country into even greater distress than it is in today."

The Welland-Port Colborne, Ont., Tribune says: "There is one encouraging situation so far as Canada is concerned. The promoters of the 'bloodless revolution' are not likely to be taken seriously by the rank and file of the citizenship."

The Brantford, Ont., Expositor thinks Canada has done well in weathering the world-wide financial storm and that it would be a colossal mistake to follow the advice of those who, through unsound thinking, would artificially degrade the currency of the Dominion and thereby endanger the whole economic fabric.

Eastern Opinions

The Charlottetown, P.E.I., Guardian says: "It is difficult to think that any considerable number of Canadian farmers and wage earners will swallow the arguments handed out to them by Mr. Woodsworth, Mr. Gardiner, Miss Macphail and Dr. Salem Bland."

The Sherbrooke, Que., feels that "once again the farmers are to be led into the barnyard slaughter house, and their aspirations will there be decapitated." The Montreal Herald says that "the 'Co-Ops' . . . have a strictly political end in view," and treats the C. C. F. in humorous vein.

SAYS CENTRAL BANKS NO DEPRESSION CURE

(Continued from page 9)

vestment is approximately 5 per cent, while on commercial loans in Canada the average interest return might be set at 6½ per cent. Obviously a bank can employ the money entrusted to it by its depositors in no more profitable way than in making commercial loans, **provided there is reasonable certainty that the borrowers will repay these loans at maturity.** There is, therefore, every inducement to the banks to keep their commercial loan total at the highest possible figure commensurate with safety. A suspicion that they are deliberately refusing to make "good" loans at a time when they have or can secure under the Finance Act ample funds for the purpose should need no further refutation.

Must Not Make Weak Loans

What of the second meaning which may be attached to the phrase "lending money more freely," namely, that the banks should accept weaker credit risks?

A bank's liabilities to the public (its deposits and note issue) are payable on demand, and against them, as a matter of common prudence, cash and certain other reserves in immediately realizable form must be maintained. Long experience has indicated that if approximately 10 per cent of the amount of the deposits is held in cash or in balance due by other banks, 10 per cent in call loans (New York) and 25 per cent in securties, the requirements of safety are sufficiently met.

With these preliminaries behind us let us consider the case of an hypothetical bank which has deposits of $100,000 and a capital of $10,000. Let us assume that the management, conforming to standard practice, holds $10,000 in cash, has lent $10,000 on call in New York and has invested $25,000 in bonds. It has, therefore, (apart from its capital) $55,000 still available and decides to place this in commercial loans. To complete our example this bank lends $1,000 at 6½ per cent for one year to each of 55 different borrowers.

If all goes well the bank (omitting for simplicity the commissions it would receive for other services performed for its clients) may count on an income for the year made up as follows:

On call loans and bond investments, $35,000 @ 5%	$1,750
On commercial loans, $55,000 @ 6½%	3,575
	$5,325

From the income to be received the bank must provide interest on its deposits, say $2,300, allowin for the calculation of interest o minimum monthly balances, th salaries of its staff and other over head expenses, say $1,325, or total of $3,625. The remainder o the income, $1,700, represents it operating profit which may be re tained as a reserve against futur emergencies or distributed in div dends to its shareholders.

Debts to be Written Off

One practical banking facto must not, however, be overlooke No matter how good the judgmen in selecting its borrowers a ban displays, with what caution it i vestigates the value of their a sets and the margin of safet which under any possible develo ment these assets are likely to pr vide, nor how carefully it follow the progress of the operations o its borrowers, it cannot hope t escape entirely from losses due t loans which prove uncollectible. I is a fact that debts written o absorb each year a substantial po tion of the operating profit o every chartered bank.

Let us suppose in the case tha we are considering that one (a not more than one) of the 55 cu tomers who have borrowed fro our hypothetical bank is unab to meet his debt and both the pri cipal of the loan and the intere on it must be considered a tot loss. More than one-half of th bank's profit for the whole ye will have disappeared. If two o more of the loans must be writte off, the bank's capital will be se iously impaired.

Not Depression Cure

This illustration of the dispro portionate effect which even a fe bad debts have in reducing o stripping a bank of its incom should, I believe, convince unbiase readers that a depression poli of "lending money more freely to revive prosperity or carryin loans after the borrowers' unde lying assets have melted awa might well destroy the stability o our banking system. That "eas money is not a depression cure i the view of Viscount Snowden wh wrote recently: "In a period o trade depression credit expansio serves no purpose. It is not credi that is needed today but market No amount of credit can mak them. When the markets ar opened credits will be forthcom ing."

Editor's Note.—This is the thir article of a series by a Canadia banker written for The Financia Post to give the viewpoint of Ca adian chartered banks on th question of a central bank for Ca ada. Further articles will follo in subsequent issues.

Canada Wins Grain Awards

According to the completed retur from the International Livestock an Hay and Grain Exposition at Chicag Canada took the large total of 3 awards, of which 250 went to the t Prairie Provinces of Saskatchewa and Alberta. Saskatchewan led all t provinces in the total of award although the hard wheat champio ship went to Alberta, while Ontar scored highest in sheep and Queb in cattle.

Listed Bond Quotations

Week Ending December 19

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1932 High	Range, 1932 Low
Abitibi, 1st mtge.§	5	1953	...	12½	...	...	46	19¼
Asbestos	5	1942	...	21	...	...	65¼	49
Do., 1st mtge.	6	1941	...	5½	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	*69½	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	‡96	...
Can. Pr. (Laur.)	5½	1958	...	...	...	...	7	5
Do. (Way. Ser.)	5½	1958	...	...	...	...	*28½	5½
Can. S S debs.	5	1943	7.30	...	...	...	83½	...
Cedars Rapids	5	1953	5.52	...	...	...	101	95
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	31	...	50	31
McNish	6	1948	...	2.00	2.00	...	3.50	1.00
Mex. L. & P.	5	1940	...	46	...	...	*73½	70¼
Mont. LH&P deb.	3	1939	...	39½	39⅝	39½	44	35
Mont. Tr. 1st mtg.§	5	1941	5.20	95	...	...	98½	90¾
Mont. Trams. "A"§	5	1955	7.08	75½	76½	75⅝	85½	69¼
Do., G. & Ref. "B"	5	1955	7.08	...	76½	...	79¾	78½
Do., "C"	4½	1955	6.43	...	...	...	77½	77
Do., "D"	5	1955	7.08	...	76½	...	81	78
N. S. Steel	5	1959	...	†78	...	...	*62½	59
Ontario Steel	6	1943	5.94	...	...	...	100½	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	102	...	...	102⅞	100½
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	75	...	...	86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	102½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	1.62	113.00	....	....	110.00	102.00
Victory Loan	5½	1933	4.37	100.65	....	....	101.55	100.25
Do.	5½	1934	4.83	101.10	101.25	101.00	102.40	99.25
Do.	5½	1937	2.57	108.25	....	....	109.75	104.00
Do., refund	4½	1940	4.88	97.25	97.50	....	98.25	91.50
Do., refund	5	1943	4.74	101.25	....	....	102.50	95.38
Do., refund	4½	1944	4.83	96.25	....	....	96.75	89.50
Do., refund	4½	1946	4.86	96.00	....	....	96.25	91.50
Conversion Loan	4½	1956	4.68	94.25	....	....	91.50	88.25
Do.	4½	1957	4.77	94.25	96.00	95.25	96.00	88.50
Do.	4½	1958	4.66	95.25	....	....	99.37	88.50
Do.	4½	1959	4.63	96.87	....	....	99.50	88.75
Nat. Service Loan	5	1936	4.58	101.15	....	....	102.25	96.25
Do.	5	1941	4.78	101.00	101.50	....	102.25	95.00

†Latest ask.
‡Quotations for 1930. *For 1931. None recorded in 1932 to date.
§Payable in New York.

Mining Stock Quotations

Week Ending December 19

Par Val.	Range 1932 High	Range 1932 Low	Company	Sales	Close Dec. 12 (or last)	High for week	Low for week	Close Dec. 19
1	.06	.02¼	Abana	1,000	.03	.03	.03	.03
1	.03	.00¼	Aconda	......	.01	.....	.....	.....
No	.15	.15	Aldermac	......	.15	.....	.....	.....
1	.09	.00¾	Alexandria	2,500	.01½	.01½	.01½	.01½
No	.20	.03	Algoma	171,650	.04	.06	.04	.05½
1	.01½	.00¼	Algonquin	1,500	.00½	.00½	.00½	.00½
1	.01½	.00¼	Amity C.	......	.00¼	.....	.....	.....
No	.36	.06	Amulet	12,789	.16	.17	.13	.14
1	.00½	.00¼	Apex	......	.00½	.....	.....	.....
1	.04	.01	Area	......	.02½	.....	.....	.....
No	.03½	.00½	Arno	181,500	.03	.03½	.02	.02
1	.75	.65	Ashley Gold	330	.70	.75	.70	.70
1	.02½	.02	Astoria Rouyn	......	.02½	.....	.....	.....
1	.07	.01	Bagamac	1,000	.01½	.01½	.01½	.01½
1	.01½	.00½	Baldwin	1,100	.00½	.01	.00½	.00½
1	.12	.03	Barry Hollinger	27,650	.09½	.09½	.07½	.08
No	1.40	.30	Base Metals	......	.70	.....	.....	.10.
No	.12	.01	Bidgood	......	.01	.....	.....	.....
1	.21	.04	Big Missouri	11,300	.10½	.10	.09	.....
1	.11½	.02	Bobjo	32,600	.08	.09½	.06½	.07
1	.23	.02½	Brett Trethewey	6,900	.13½	.14½	.13	.1
No	.03	.00½	Brownlee	2,500	.01½	.01½	.01½	.01½
1	.01	.00½	Buckingham	......	.00½	.....	.....	.....
No	.36	.02	Buffalo Can.	......	.02½	.....	.....	.....
No	.36	.02	Buffalo Can.	......	.02½	.....	.....	.....
No	.04	.01	Bunker Hill	4,500	.01½	.01½	.01½	.01½
5s	1.03	.10	B'Wana McKubwa	......	.80	.....	.....	.....
No	.01	.00½	Cal. Flin Flon	......	.01	.....	.....	.....
No	.04	.02	Canam Metals	1,000	.02	.02½	.02½	.02½
1	.04½	.01½	Can. Kirkland	2,650	.04½	.04½	.03½	.03½
No	.02½	.00½	Capital Rouyn	......	.00½	.....	.....	.....
1	.07	.01½	Cartier Malartic	5,000	.02	.01½	.01½	.01½
1	.21½	.09	Castle Trethewey	200	.17½	.15	.15	.15
1	.09½	.04	Cen. Manitoba	2,650	.06	.06½	.05	.05
1	.20	.02	Cen. Patricia	62,150	.19	.20	.17½	.17½
No	.07½	.01	Chibougamau Pros.	800	.04	.04	.04	.04
No	.02	.00½	Clericy	......	.01	.....	.....	.....
5	5.00	.45	Coast Copper	145	2.35	2.10	2.00	2.00
1	.02½	.00½	Cobalt Contact	1,000	.01½	.00½	.00½	.00½
No	.16	.15	Cobuc	......	.15½	.....	.....	.....
1	.14	.03	Columario	4,600	.07	.07½	.06½	.06½
5	1.10	.69	Coniagas	......	.90	.....	.....	.....
No	.50	.23	Coniaurum	1,000	.25	.25	.23	.23
25	102.00	25.00	Cons. Smelters	683	61.50	64.00	60.00	61.50
No	14.50	9.00	Dome Mines	4,155	13.95	13.90	13.50	13.80
No	.10	.02	Dom. Explorers	13,200	.03½	.03½	.03½	.03½
	.00½	.00½	Dominion Kirk	......	.00½	.....	.....	.....
1	.04	.00½	Don Rouyn	......	.01	.....	.....	.....
	.04	.02½	Duparquet	1,500	.02½	.02½	.02½	.02½
1	1.60	.76	Eldorado	13,705	1.25	1.28	1.20	1.28
No	2.40	.47	Falconbridge	1,550	1.70	1.70	1.55	1.62
1	.04	.00½	Federal	5,300	.01½	.01½	[illegible]	.01
No	.00½	.00½	Flintoba	......	.00½	.....	.....	.....
No	.07	.00½	Gem. Lake	......	.01½	.....	.....	.....
1	.03	.00½	Goldale	15,500	.02½	.03	.02½	.03
10	.24	.05½	Goldfield	1,500	.15	.10	.10	.10
1	.00½	.00½	Gold Hill	......	.00½	.....	.....	.....
1	.04	.02	Goodfish	2,500	.02	.02	.02	.02
1	.03½	.00½	Graham	......	.00½	.....	.....	.....
1	1.25	.50	Granada	18,544	1.09	1.10	1.04	1.05
1	.22	.05	Grozelle	......	.07	.....	.....	.....
1	.03½	.01	Harker	1,500	.02	.02	.02	.02
1	.01½	.00½	Hilltop	......	.00½	.....	.....	.....
5	5.80	4.25	Hollinger	5,815	5.65	5.75	5.50	5.60
1	.72	.26	Howey Gold	32,850	.61	.64	.60	.61
No	5.30	.92	Hudson Bay	1,020	3.60	3.50	3.10	3.15
No	.36	.13	Huronian	......	.33	.....	.....	.....
No	13.50	4.00	Int. Nickel	15,015	9.00	9.25	8.75	9.00
1	.01½	.00½	Jackson Manion	3,000	.00½	.00½	.00½	.00½
1	.25	.19	Keeley	600	.22	.21	.21	.21
1	.02½	.00½	Keora Mines	8,500	.02½	.02½	.01½	.02
1	.70	.40	Kirk. Hud. Bay	1,300	.50	.50	.50	.50
1	.02½	.00½	Kirk. Hunton	2,000	.00½	.00½	.00½	.00½
1	.55	.19	Kirkland Lake	21,800	.30	.31½	.26	.26
1	.03½	.00½	Kirkland Premier	1,000	.01½	.01½	.01½	.01½
1	.15½	.05	Kirk. Townsite	6,300	.13½	.14	.11½	.11½
20c	.01½	.00½	Koot. Florence	......	.00½	.....	.....	.....
1	.01½	.00½	La Rose	......	.01½	.....	.....	.....
1	.41	.10	Lakeland	......	.15	.....	.....	.....
.	.29	.07	Lake Maron	1,500	.11	.08	.07	.08
1	35.10	24.90	Lake Shore	3,989	34.40	34.50	33.25	33.25
1	.00½	.00½	Laval	......	.00½	.....	.....	.....
1	.07	.01½	Lebel Oro	26,500	.04	.04½	.02½	.03
1	.41	.13	Macassa	16,300	.22	.23	.20½	.20½
1	.07	.02½	Malartic	49,100	.04½	.07	.04	.04½
1	.04	.00½	Malrobic	122,500	.01½	.02½	.01½	.02
No	.08	.02	Mandy	......	.04	.....	.....	.....
No	.02	.00½	Manitoba Basin	104,975	.01½	.01½	.01	.01½
5	25.00	14.70	McIntyre	2,856	23.25	23.25	22.65	23.00
1	.35	.25	McKinley	......	.35	.....	.....	.....
No	.09½	.01½	McLeod River	48,500	.02½	.02½	.01½	.01½
No	.50	.45	McWatters	12,300	.....	.50	.45	.45
1	.04	.04	McVittie	400	.....	.04	.04	.04
No	1.85	.58	Mining Corp.	1,460	1.16	1.20	1.11	1.11
1	.08½	.01½	Moffatt Hall	27,800	.01½	.01½	.01½	.01½
1	.02½	.02	Moneta	......	.02	.....	.....	.....
1	.45	.19½	Moss	67,700	.27	.29½	.27	.29½
1	.02½	.00½	Murphy	1,000	.00½	.00½	.00½	.00½
No	.06½	.01	Newbec	14,700	.04	.05	.04	.04
5	1.48	.50	Nipissing	900	1.15	1.10	1.00	1.04
No	23.25	12.50	Noranda	5,735	19.75	19.75	19.00	19.00
No	.39	.10	Nor. Canada	2,900	.33	.32	.29	.29
	.75	.65	Northern Metals	......	.70	.....	.....	.....
No	.01	.00½	Old Colony	21,000	.00½	.00½	.00½	.00½
1	.09	.05	Osisko	......	.06	.....	.....	.....
1	.17	.07	Parkhill	3,400	.12½	.12	.11	.11
1	.13½	.11	Patricia Dent	......	.13	.....	.....	.....
1	.02	.01	Pawnee Kirk	......	.01½	.....	.....	.....
No	1.25	.35	Pend Oreille	655	.55	.55	.50	.50
1	.01½	.00½	Peterson Cobalt	......	.00½	.....	.....	.....
1	4.94	3.00	Pioneer Gold B.C.	2,000	4.75	4.60	4.30	4.30
1	.00½	.00½	Porcupine Crown	......	.00½	.....	.....	.....
1	.02	.00½	Potter Doal	......	.00½	.....	.....	.....
1	.12	.12	Powell Rouyn	......	.12	.....	.....	.....
1	.75	.32	Premier Gold	2,250	.63	.63	.55	.55
1	.01½	.00½	Preston E. Dome	2,000	.01½	.01	.01	.01
No	1.31	.15	Prospectors Air's	1,475	1.00	1.00	.80	.80
No	1.00	1.00	Quebec Pros.	......	1.00	.....	.....	.....
No	.10	.03	Quemont	1,000	.05	.03½	.03½	.03½
1	.02½	.00½	Ribago	24,500	.01	.01	.00½	.00½
1	.02½	.01	Ritchie	......	.01½	.....	.....	.....
1	.02½	.00½	Robb Montbray	1,500	.01	.01	.01	.01
1	.70½	.25	San Antonio	12,685	.67½	.70	.66	.68½
1	.09	.07½	Seven Troughs	......	.07½	.....	.....	.....
1	.77	.18	Sherritt Gordon	9,675	.36	.36	.35	.35
1	1.00	.50	Siscoe	52,175	.92	1.00	.85	.90
1	.09½	.00½	South Keora	18,730	.09	.09½	.07	.09½
No	.02½	.00½	Stadacona	24,500	.01½	.01½	.01½	.01½
1	.17	.05	St. Anthony	500	.08	.08	.08	.08
No	.90	.16	Sudbury Basin	1,155	.56	.60	.55	.58
1	.02½	.00½	Sudbury Contact	......	.02½	.....	.....	.....
1	.01	.00½	Sudbury Mines	......	.00½	.....	.....	.....
1	.22	.07	Sullivan	3,200	.18	.18½	.16½	.16½
1	.87	.39	Sylvanite	6,650	.3	.75	.65	.687
1	.07	.01	Tashota	48,500	.02½	.02½	.01½	.01½
	.15	.12	Tashota Goldfield	4,800	.14½	.15	.15	.15
1	5.25	3.05	Teck Hughes	14,311	3.60	3.64	3.50	3.60
1	.07½	.02	Thom. Cadillac	......	.04	.....	.....	.....
1	.40	.10	Towagmac	3,320	.14	.12	.10	.11
1	3.00	1.00	Treadwell	......	1.10	.....	.....	.....
1	.09½	.02	United Kirkland	2,000	.04	.03½	.03½	.03½
1	.12	.00½	Vacuum Gas	66,000	.06	.05½	.04	.04
No	1.10	.16	Ventures	10,035	.66	.68	.65	.65
1	.18	.04	Vickers	......	.12	.....	.....	.....
1	.45	.20	Vipond	5,479	.23	.21	.20	.20
No	1.01	.25	Waite Ackerman	500	.40	.50	.50	.50
1	.08	.01	White Lake	......	.04	.....	.....	.....
1	.01	.00½	Wiltsey Coughlan	......	.01	.....	.....	.....
	.10	.04½	Wood Kirkland	1,000	.06½	.06	.06	.06
No	3.47	2.09	Wright-Hargreaves	45,480	3.41	3.45	3.33	3.33
			OIL STOCKS					
No	.19	.07½	Acme Gas & Oil	10,200	.09½	.09½	.08½	.08½
1	1.17	.60	Ajax	2,850	.74	.71	.65	.70½
1	.18	.04½	Alta. Pacific	......	.08	.....	.....	.....
1	.03½	.02	Askalta	......	.03½	.....	.....	.....
No	.20	.02	Associated	1,200	.07	.07	.07	.07
No	.09	.01	Baltac	......	.02	.....	.....	.....
	.05½	.00½	Benton	......	.00½	.....	.....	.....
1	.05	.02½	Brit. Dominion	......	.03½	.....	.....	.....
No	.60	.14	Calgary & Ed.	......	.28	.....	.....	.....
1	.15	.04	Calmont	......	.05	.....	.....	.....
1	.14	.03	Common. Pete	......	.06	.....	.....	.....
No	.40	.05½	Dalhousie	300	.15	.15	.14	.15
No	.01	.01	Devenish	......	.01	.....	.....	.....
No	.02	.00½	Dome Oil	......	.00½	.....	.....	.....
No	.16	.04	East Crest	1,900	.06	.06	.06	.06
No	.01½	.01	Fabyan Pete	......	.01½	.....	.....	.....
No	.25	.05	Foothills	400	.15	.15	.13	.15
No	.03½	.02	Freehold	......	.02	.....	.....	.....
1	.02	.00½	Great West	......	.00½	.....	.....	.....
No	.06½	.03	Hargal	......	.03	.....	.....	.....
No	.05	.02	High Sarcee	......	.02	.....	.....	.....
No	.85	.15	Home	675	.32	.35	.30	.35
No	.25	.01½	Homestead	......	.01½	.....	.....	.....
1	.50	.09	Homest'd O. & G.	6,400	.13	.14	.12	.14
1	.01	.00½	Illinois Alberta	......	.00½	.....	.....	.....
No	.02½	.00½	Lethbridge	......	.00½	.....	.....	.....
No	.10	.04	Lowery	......	.10	.....	.....	.....
No	.02	.00½	Madison	......	.00½	.....	.....	.....
1	.32	.05½	Mayland	......	.15	.....	.....	.....
No	.04	.01½	McD. Segur Ex.	......	.01½	.....	.....	.....
1	.04½	.01	McD. Segur N.	......	.01	.....	.....	.....
1	.50	.18	McLeod	......	.18	.....	.....	.....
No	.10½	.06½	Mercury	......	.07½	.....	.....	.....
No	.22	.04½	Merland	100	.15	.15	.15	.15
No	.15	.08½	Mill City Pete	......	.08½	.....	.....	.....
1	.20	.12½	Model	......	.13	.....	.....	.....
1	.05	.04	Monalta	......	.05	.....	.....	.....
1	.07	.03	Moose Mountain	......	.03	.....	.....	.....
1	.01	.01	New Federal	......	.01	.....	.....	.....
5	.15	.01	Nordon	28,150	.14	.15	.12	.14½
No	.06	.02½	Oil Selection	15,000	.02½	.03	.02½	.02½
No	.05	.02½	Okalta	......	.03	.....	.....	.....
100	15.00	15.00	Do., Pref.	......	15.00	.....	.....	.....
No	.32	.09	Olga Gas & Oil	36,750	.24½	.26	.19½	.19½
No	.20	.02	Penn. Pete	93,310	.04	.05	.04	.04½
No	20.00	20.00	Perfection Pete. Pfd.	......	20.00	.....	.....	.....
1	.28	.12	Petrol Oil & Gas	100	.18	.17	.17	.17
No	.14	.08	Ranchmen's	......	.09	.....	.....	.....
1	.01	.00½	Regent	......	.01	.....	.....	.....
No	.02½	.01	Richfield	......	.01	.....	.....	.....
No	9.85	3.95	Royalite	2,575	6.95	8.00	6.50	8.00
1	.29½	.05	Sarnia Oil	12,800	.11	.12	.09	.09
1	.03	.01	Signal Hill	......	.01	.....	.....	.....
No	.12	.05	South West Pete	......	.08	.....	.....	.....
1	.20	.10	Spooner	......	.15	.....	.....	.....
No	.21	.05½	Sterling Pacific	......	.13	.....	.....	.....
1	.11	.07½	Turner Valley	......	.07½	.....	.....	.....
No	.08	.03	United	......	.03	.....	.....	.....
1	.09½	.03	Vulcan	......	.03	.....	.....	.....
No	.02½	.00½	Wainwell	......	.00½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to December 13)					
25c	.00½	.00½	Bayview	......	.00½	.....	.....	.....
20c	.05½	.02	Beaver Silver	......	.02½	.....	.....	.....
25c	.04	.01	Bluebird	......	.01	.....	.....	.....
No	1.20	.50	Bralorne	9,298	1.10	1.20	1.07	1.15
1	.12	.04	Bridge River Cons.	10,500	.05½	.05½	.04½	.04½
25c	.01½	.01	Cork Province	......	.01	.....	.....	.....
1	.13	.02	Cotton Belt	......	.02	.....	.....	.....
1	.01½	.01½	Dalhousie	......	.01½	.....	.....	.....
1	1.00	.15	George Copper	......	.40	.....	.....	.....
50c	.02	.01	Geo. Enterprise	......	.01	.....	.....	.....
1	.05	.01	Georgia River	59,000	.02½	.02½	.02	.02½
1	.35	.10	Golconda	......	.16	.....	.....	.....
50c	.08	.02	Grandview	5,000	.03½	.03	.03	.03
1	.01	.00½	Independence	......	.00½	.....	.....	.....
1	.01½	.01	Indian Mines	......	.01	.....	.....	.....
1	.15	.08	Inter. Coal	500	.15	.10	.10	.10
1	.21	.21	Jack Waite	......	.21	.....	.....	.....
25c	.00½	.00½	Kootenay King	......	.00½	.....	.....	.....
10c	.04	.01	Lucky Jim	......	.01½	.....	.....	.....
5c	.12	.04	Metaline Metals	......	.06	.....	.....	.....
1	.03	.00½	Morton Woolsey	1,250	.01½	.00½	.00½	.00½
50c	.03½	.00½	National Silver	15,000	.01½	.01½	.01½	.01½
50c	.08½	.02	Noble Five	27,600	.02½	.02½	.02½	.02½
50c	.01	.00½	Oregon Copper	1,000	.00½	.00½	.00½	.00½
1	4.85	3.00	Pioneer Gold	350	4.85	4.80	4.65	4.65
50c	.08½	.02	Porter Idaho	......	.04	.....	.....	.....
No	.02	.00½	Premier Border	......	.00½	.....	.....	.....
No	.35	.07½	Reeves McDonald	......	.18	.....	.....	.....
1	.66½	.21½	Reno Gold	37,800	.65	.66½	.60	.63
1	.02½	.00½	Rufus Argenta	......	.00½	.....	.....	.....
1	.05	.02	Ruth Hope	......	.02	.....	.....	.....
1	.05	.02	Silverado	......	.05	.....	.....	.....
25c	.02½	.01	Silver Crest	15,000	.01	.01	.01	.01
50c	.02½	.00½	Snowflake	8,000	.00½	.00½	.00½	.00½
1	.79	.20	Sunloch	......	.20	.....	.....	.....
No	.06	.05	Vanalta Oil	......	.06	.....	.....	.....
20c	.02½	.01	Wellington	......	.01	.....	.....	.....
1	.06½	.00½	Whitewater	......	.04	.....	.....	.....

DIVIDEND PLAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	12c.	....	Noranda	60c.	....
Coniagas	12½c.	....	Petrol Oil	1c.	....
Coniaurum	3c.	....	Premier	12c.	21.81
Dome Mines	$1+10c.	7.96	Pioneer, B.C.	24c.	5.58
Hollinger	65c.+10c.	13.39	Royalite	$1.50	....
Howe Sound	40c.	—	Siscoe	3c.	....
Lake Shore	$2+$1	9.02	Sterling Pac. Oil	2½c.	....
McIntyre	$1.50	6.52	Sylvanite	4+1c.	7.35
McLeod Oils	5c.	....	Teck Hughes	60c.	16.66
Merland Oils	2½c.	....	Wright-Har.	10+5c.	4.50

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Canadian Mining News

SAY BEATTIE ORE PRESENTS PROBLEM OWING TO ARSENIC

Not Unsurmountable But Delaying Operation of Programme

Despite a courageous and well directed effort to bring the Beattie Gold Mines into production early next year, metallurgical difficulties, owing to the arsenic in the ore, are reported to be hampering the company's programme.

The tests, it was stated, have been conducted on the ore and details were now being worked out for the flotation process. While the ore has been referred to as an arsenical ore, only about .25 per cent arsenic existed. Hugh Park, general manager of Nipissing, expressed his belief at the meeting that there was no ground for the rumor that the treatment of the ore presented any metallurgical difficulty and said without doubt in spite of the low grade a profit would ensue from operations.

The question of economically treating the ore has been a contentious point from the inception, but neither officials of Nipissing or Ventures Ltd., who are jointly developing the property would admit that any insurmountable problem was presented in its treatment.

The development of the Beattie property and the solving of the metallurgical problems have been watched by Canadian mining engineers with the utmost interest. It is known that United States' metallurgists have been consulted in concentrating the Beattie ore which has raised the question as to whether or not Canada does not possess metallurgists and mining engineers, conversant with arsenical ores, second to none in the world. At the Deloro Smelting & Refining Co., at Deloro, Ont., the treatment of an arsenical gold ore was one of the problems in early Canadian gold mining. Deloro engineers and metallurgists successfully solved the problem, at that time but here, too, the grade of ore was low. The factor that defeated the economical development of these properties was not arsenic but the lack of sufficient commercial ore.

An Old Problem At Deloro

At Deloro is maintained one of the most complete research laboratories of its kind on the continent, and there problems dealing with arsenical ore have been successfully solved through close study by the microscope. The silver ore from Cobalt is said to have carried a greater amount of arsenic than the Beattie ore. The problem of concentrating this ore was worked out successfully and the Deloro smelter treated a large part of the concentrates from the Cobalt district, recovering the arsenic. Present facilities at this plant would not lend themselves to the treatment of Beattie gold concentrates nor has this company been approached so far as it is known to assist in working out the problem.

As the situation now stands at Beattie, instead of making a ten to one concentrate as originally planned, it is understood to be planning to ship a very much higher concentrate to one of the smelters in New Jersey. This, in itself presents no metallurgical difficulty except that the cost mounts when concentrates have to be shipped. An alternative would be to roast the Beattie ore or concentrates at the property, but here, too, a problem is offered owing to the roasting giving off a white arsenic, poisonous to vegetation and animals. The same problem would exist in treating the ore in New Jersey, but here a recovery of the arsenic, the same as is done at Deloro, solves this problem.

Constructive Undertaking

The treatment of the Beattie ore has brought about a problem not wholly unexpected and the constructive effort that has been made to bring this property into production is commended throughout the mining industry. It is admitted that the difficulties in concentrating the ore are disturbing in that the company had hoped to get into production next spring and a mill was already well advanced toward this end.

If it becomes n ɛessary to make a higher concentrate than originally planned and ship the concentrates to New Jersey, the chief factor of concern is the cost involved, not only in transmitting the concentrates to the railway, but a railway haul amounting to some $8 per ton to New Jersey. If a twenty-to-one concentrate was made this would be equivalent to a cost of 40 cents per ton from the raw ore, but since the grade of ore is estimated at under $4 per ton any increase in the cost is a very vital factor to the commercial success of the undertaking.

Goldale Investments Show Appreciation

Investment holdings of Goldale Mines have shown considerable appreciation with current market values around $17,500. At the time of the last annual meeting, March, 1931, the company held 1,500 shares of Hollinger Consolidated Gold Mines, 1,000 shares of Teck-Hughes and 5,000 shares of Kirkland Lake Gold Mining Co. Since that time numerous changes have been made in the company's investment portfolio, which shows an appreciation over the market value of these shares today.

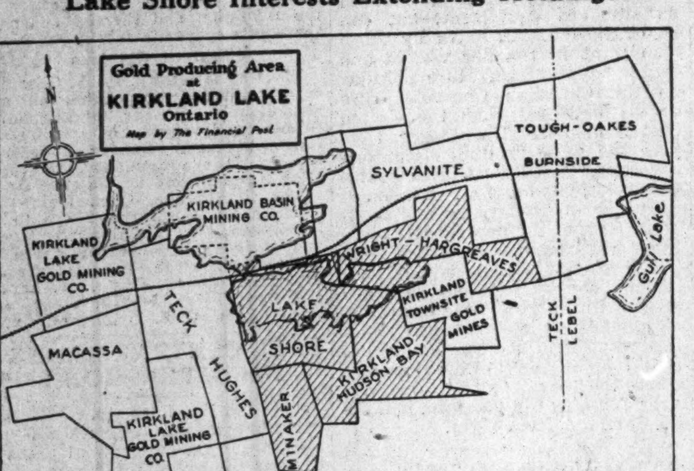
Mines Branch Issues Report on Feldspar

The Department of Mines, Ottawa, has issued a comprehensive report on the feldspar industry in Canada. The report deals with all aspects of the industry, including marketing, and is a comprehensive and voluminous report available gratis by application to the department at Ottawa.

Asbestos Shipments Rise

Shipments of asbestos by Canadian producers totalled 13,232 tons in October; during the preceding month ,001 tons were shipped and in October, 1931, the production was ,728 tons. During the ten months ending October, 96,772 tons were produced in Canada as compared with 9,438 tons in the corresponding period of 1931.

Lake Shore Interests Extending Holdings


Gold Producing Area at KIRKLAND LAKE Ontario
Map by The Financial Post
N
KIRKLAND LAKE GOLD MINING CO.
KIRKLAND BASIN MINING CO.
SYLVANITE
TOUGH-OAKES
BURNSIDE
WRIGHT-HARGREAVES
LAKE SHORE
KIRKLAND TOWNSITE
GOLD MINES
KIRKLAND HUDSON BAY
MINAKER
TECK HUGHES
MACASSA
KIRKLAND LAKE GOLD MINING CO.
TECK LEBEL
Gull Lake

A map of the producing section at Kirkland Lake showing how Col. Harry Oakes and interests associated with him have gained control of other properties, as designated by shaded area, with the ultimate view of protecting Lake Shore's workings at depth.

Kirkland Lake Mergers By Col. Oakes Shaping Up As Properties Acquired

Properties South of Lake Shore May be of Importance

W.-HARGREAVES TOO

Interests Friendly to Col. Oakes Aid in Plan for Economical Development

The acquisition of control of several southerly paralleling properties to the Kirkland Lake gold producers, by Col. Harry Oakes and his associates, presages, if not a consolidation, a realignment for effectively and economically working these properties.

From the inception Col. Oakes is known to have been working toward a consolidation objective. Even the Lake Shore property is a consolidation. To his initial stakings he added adjoining claims that go to make up the Lake Shore Mines today. That more claims were not incorporated in Lake Shore holdings is only because of the prohibitive prices at which adjoining properties were valued by their owners. As it is, Lake Shore owns approximately 171 acres or about 2,500 ft. on what is known as the main Kirkland Lake break, which has proven to be the richest and most productive section of the camp, placing this property, today, as Canada's largest gold producer.

It was not until recent years, as deep development progressed, that a great deal of interest was attached to the southerly and paralleling properties. As yet the real worth of these properties is not confirmed for although the westerly end of the main vein system seems to dip toward the south, the central or Lake Shore section deviates but little from the vertical.

Dip Pronounced at West End

At the Kirkland Lake Gold Mining Co.'s property, the most westerly producer in the camp, the pitch of the vein to the south is quite pronounced and in June, 1929, the company acquired the Chaput-Hughes property in order to protect the southerly dip of its vein. With workings at this property currently near the 5,400 ft. depth the wisdom of this acquisition has been fully confirmed as at this point the vein has almost passed off of the Chaput-Hughes into the Grozelle property, acquired early this year from the Grozelle-Kirkland Gold Mines to protect further southerly extensions of the vein.

Teck-Hughes Gold Mines, immediately adjoining the Kirkland Lake Gold Mining Co., on the east, took steps to protect the southerly dip of its vein in 1923 by the acquisition of the Orr property. This property proved vital to the very existence of Teck-Hughes, protecting the dip to apparently the lowest mineable depths.

Lake Shore Gold Mines, adjoining Teck-Hughes to the east, has a length along the main break of approximately 2.500 ft. With working depths of 4,000 ft. immediately projected the importance of protecting the southerly dip of the vein is not confirmed, but by the acquisition of the southerly paralleling properties an opportunity is afforded for their economical exploration at depth. The Minaker-Kirkland property adjoins the Orr claim of the Teck-Hughes Gold Mines on the east and would have doubtless made a valuable and important acquisition for Teck-Hughes, which at one time was angling for its control. It is probably of greater importance to Teck than to Lake Shore. For some time it has been known that Colonel Oakes has been negotiating for stock control of this property and recently The Financial Post was able to announce that it had been secured. Adjoining the Minaker-Kirkland on the east is the Kirkland Hudson Bay property. Stock control of this property was held by Henry M. Porteous last and it was recognized at that time that he was acting for Colonel Oakes. It is now known that Colonel Oakes is in control of this property and that it is planned to turn his stock interest over to Lake Shore that it may be a subsidiary of that company. About a year ago crosscutting was conducted from the 2,700 ft. level of Lake Shore Mines for about 500 ft. into the Kirkland-Hudson property, cutting two promising veins. Work was then halted in order further to explore these veins from Lake Shore's deeper workings.

Townsite Not Wanted?

Adjoining the Kirkland-Hudson Bay Mines on the east is the Kirkland Townsite property, also immediately south of Wright-Hargreaves. It corners on the Lake Shore property. Lake Shore officials disclaim any interest in the acquisition of this property to complete their parallel holdings to the south, but nevertheless it is recognized that it would be just as important to Lake Shore, holding control of the Kirkland-Hudson Bay, as it would to Wright-Hargreaves.

A start was made last year toward the further development of the Kirkland Townsite property, but work was stopped presumably on account of the financial situation.

R. H. Lyman at Cobalt, Ont., is president of Kirkland Townsite and it is known that E. W. Backus, the pulp and paper magnate, is heavily interested, if not in stock control of the company. Overtures are known to have been made for control of Kirkland Townsite shares, but whether these emanated from Lake Shore officials or not is a conjecture.

The most interesting property in such a consolidation and realignment of the Kirkland Lake property would be the Wright-Hargreaves Mines. In the past control of this property is supposed to have rested with Oliver Cabana and his Buffalo associates; at least, they have been in management control. In past months it is known that William Wright, already heavily interested in Wright-Hargreaves, has been increasing his holdings. It is also known that William Wright and Colonel Oakes have very close mutual interests that amount to an alliance. Mr. Wright's holdings together with Colonel Oakes' holdings in Wright-Hargreaves now give this group stock control of the company. While there has been no demonstration of any change in policy or intention to change directorships, this situation does materially strengthen any proposals to consolidate or re-align the Kirkland Lake properties. At the present time Wright-Hargreaves has under way a rehabilitation programme in conjunction with its deep developments that will increase the capacity of its mill to 1,000 tons capacity early next year and further increases are viewed as probable if development continues in the presently encouraging manner.

Tailings Mild

Credence is lent a Lake Shore-Wright-Hargreaves alliance by the recent action of Lake Shore proceeding on its own initiative with the construction of a mill addition to treat the tailings deposited in Kirkland Lake. Last April the Consolidated Tailings, Ltd., was incorporated to facilitate the treating of these tailings, jointly by Wright-Hargreaves and Lake Shore. It was intended at that time that Lake Shore would hold 75 per cent interest in the new company and Wright-Hargreaves 25 per cent and each contribute in this proportion toward the cost of a 1,000 ton mill. The fact that Lake Shore is now proceeding with additions to its existing mill to house a plant for treating these tailings, without Wright-Hargreaves being in the picture, indicates that while the tailings of the two companies are so inter-mixed in Kirkland Lake to defy recognition, Lake Shore has bigger plans under consideration.

Investors who have been watching developments and acquisitions of Lake Shore, take this latest move to be but another step toward the ultimate objective of Colonel Oakes and Lake Shore Mines to consolidate Wright-Hargreaves and the southerly paralleling properties into a harmonious operating group that will make for maximum efficiency and eliminate duplication in their development.

Interest in North

Little or no attention has been paid by Lake Shore toward the northerly paralleling properties since its property line is approximately 1,200 ft. north of the main break.

Recent horizontal diamond drilling north from Lake Shore's 2,700 ft. level intersected a vein about 5 ft. in width near the northern boundary of the property. This unexpected development, while not significant, has added new interest to the possibilities of that section of Kirkland Lake north of the main break. At the present time a crosscut is being driven to the area intersected by the diamond drill and until it is further explored its true significance cannot be interpreted. Similar drilling in the past has followed a right angle fracture that carried high values but upon examination proved to be but a few inches in width.

All who have watched Colonel Oakes and the making of the Lake Shore mine respect the sound, conservative policies that have prevailed, all of which adds additional interest to his more recent efforts to re-align other properties in the area.

Reorganization Possible

What form the new re-alignment or consolidation will take with respect to Lake Shore has not yet been made clear. One plan would be to increase the capitalization of Lake Shore and issue shares to the vendor of controlling interest in these companies. As Col. Oakes personally owns stock control of Minaker and in Kirkland-Hudson Bay he would be the vendor. Another plan would be for Lake Shore to purchase Col. Oakes' interest for cash. Such a plan is known to have been well advanced in the case of Kirkland-Hudson Bay last summer.

Many months ago Col. Oakes made the statement to The Financial Post that it would be the policy of Lake Shore not to increase immediately the dividends above the $3 rate in order that the company might build up its liquid position for any contingency that might be presented and it is now thought possible that consolidation was foremost in his mind at that time.

Graton to Present Paper on Hollinger

The Canadian Institute of Mining & Metallurgy will have a paper presented at its annual meeting in Toronto next April on the geological study of the Hollinger mines, made by Dr. L. C. Graton of Harvard University.

This paper will appear in the January issue of the Institute's "Bulletin" and it is expected Hollinger Consolidated Mines will soon make a statement regarding Dr. Graton's finding. Investigation has been under way for about three-and-a-half years and the findings of Dr. Graton are looked forward to by the mining industry with a great deal of interest.

Canada's Copper Producers "Saw Wood" as Quotas Fail

Failure of N. Y. Meeting to Arrive at Quotas for World Producers is Spur to Renewed Sales Effort by Canadian Producers

The failure of the leading world copper producers, meeting in New York the early part of this month, to arrive at quotas has only had the effect on Canadian producers of causing them to redouble their effort to secure the copper business available, principally in Great Britain.

Following close on the announced disagreement of these world producers comes advice from New York to the effect that Great Britain proposes to abandon the two pence per pound tariff on copper produced outside of the British Empire. Synchronizing as it does with the failure of the United States copper interests to gain their quota points this report is regarded as false propaganda to confuse the real situation.

The two pence per pound protection to Empire producers of copper was the principal benefit accruing to Canadian metal producers out of the Imperial Conference at Ottawa last summer. The dispatches from New York would have the public believe that the United Kingdom consumers are forced to pay a higher price for the copper as a result of the tariff and consequently are seeking to have it shelved. The facts of the case are that there is no semblance of increased prices to the British consumer of copper. Prices have steadily declined since the tariff was proposed with new low price levels established following the world producers' failure to agree on quotas. The British preference was designed primarily to reserve the British market for the Empire copper producers. As the possible production of copper from the Empire is considerably more than would satisfy the British market, the surplus must be marketed in the marts of the world, but the British price of copper will be the world price. Any increase in the world price of copper will obviously affect the price to the United Kingdom.

World stocks of copper remain at high levels and until they become liquidated there can be but little hope for improvement in copper prices.

U.S. Losing Control

In the past the United States has dominated the copper industry with its huge production not only from the United States, but from properties controlled in South America. The huge, visible stocks of copper existing today account for the chaos that reigns in the industry and can be directly attributed to the policy dictated by United States interests in boosting and maintaining copper prices at around 18 cents a pound. After selling at a peak of 21 cents per pound in March, 1929, copper prices settled back and remained uniform at 18 cents, which had the effect of inviting production from high cost producers and mediocre properties throughout the world with the inevitable result that copper stocks mounted at such a rate that prices broke in March, 1930, and have been descending ever since.

In order to exclude foreign copper United States producers caused a four cents per pound excise duty to become effective in June of this year. The immediate effect of this tariff was to invite retaliatory measures by other countries and effectively to shut off the Canadian production from being marketed as formerly in the United States. Until late in 1930 all of Canada's copper production was shipped to United States in the form of blister for electrical refining in that country and marketing through its established selling agencies. Export copper was marketed through the Copper Exporters, Inc. When the United States tariff became effective the quotas agreed upon by the world producers earlier in 1932 became ineffective and Canadian copper as well as a large part of foreign copper had to seek new markets.

Canada Prepared

Fortunately for Canada, the past two years have seen the establishment of electrol tic refineries that will not only take care of Canada's production, but are sufficient to take care of the entire electrolytic copper requirements of the British Empire, and give Canada control of the marketable product.

Accepting the new situation, Canadian producers of refined copper set about to make new marketing connections and found a sympathetic ear in the British markets with the result that principal copper exports since June this year have been to that country.

Normally the British market for copper is not sufficient to absorb the potential production offered by the Empire producers. Canada alone can supply sufficient electrolytic copper, while the production looming from Northern Rhodesia makes it evident that markets outside of the British Empire will have to be sought. To date the Northern Rhodesia production has been in the form of blister copper that has been shipped to the United States for refining. At the present time a new plant for the fire refining of copper is being established in England and will take care of a considerable quantity of copper used in that form.

Canadian "Saw Wood"

The leading Canadian producers have accepted the new situation as not of their making and have set about to win new markets wherever offered, particularly in Great Britain. During the squabble for production quotas in United States by world producers, Canadian properties were represented but they looked upon the meeting with only casual interest and instead of actively engaging in the squabble have been seeking a sounder foundation in new markets. The attitude of these producers seems to be that they will acquiesce in any sound quota arrangement that the world producers might agree upon, safe in the knowledge that there seems to be but little likelihood of an agreement being reached.

For the most part Canada's copper producers are low cost producers, obtaining their copper production principally as by-products of other metals, which govern their output more than the price of copper. At the present time International Nickel, which in the past has been Canada's largest copper producer, has its copper production curtailed to about 25 per cent of its 1931 rate or about 15 per cent of its 1930 rate, its peak year of copper output.

Noranda Mines, on the other hand, is running close to its 1931 production of copper or about 80 per cent of the peak production in 1930. Hudson Bay Mining & Smelting Co., Canada's third largest copper producer, has tuned up its 3,000 ton plant and is currently treating close to 4,500 tons with a corresponding increase in its copper production. The blister copper produced by this firm is shipped to Noranda's refining subsidiary at Montreal East.

B.C. Hardest Hit

The British Columbia producers are the hardest hit and although regarded as low cost producers find present operations unprofitable. Granby sends its blister copper to International Nickel's refining subsidiary at Copper Cliff, Ont.

Britannia, on the other hand, produces copper concentrate which in the past has been shipped to smelters on the Pacific Coast. This has raised a question as to whether copper originating in Canada and smelted and refined in foreign countries will come under British preference. This point has not been finally settled to the satistfaction of the British Columbia producers but in the draft form of the preference agreement it was quite explicit as covering copper of Empire origin and in the final settlement there seems to be little doubt that Granby production in the form on concentrates will come under this classification the same as the blister copper production of Rhodesia, which is currently shipped to the United States for refining.

Ontario's Gold Output $3,934,183 in November

Gold production for November, as reported to the Ontario Department of Mines was $3,934,183 bringing the total production in Ontario for the eleven months of 1932, to $42,637,618 as compared with $38,833,574 in 1931.

Twenty mines contributed to the production. Three new producers, Triple Lake, Munroe-Croesus and Ashley having reported production for the first time this year. In the Porcupine area the eight producing mines in order of output were, Hollinger, McIntyre, Dome, Coniaurum, Vipond, Buffalo-Ankerite, Munroe-Croesus and Triple Lake. In the Kirkland Lake area the order of output was Lake Shore, Teck Hughes, Wright Hargreaves, Sylvanite, Toburn, Ashley, Kirkland Lake Gold, and Barry Hollinger. In Northwestern Ontario there were four producers, Howey, Moss, Minto and Parkhill.

The following is a tabulation of the gold production by months from the various areas:

Output of Ontario Gold Mines

	Ore milled tons	Total value $
Porcupine:		
Jan. to June	1,624,340	10,411,136
July	276,270	1,608,025
August	289,565	1,865,385
September	282,127	1,857,892
October	299,814	1,814,757
November	289,723	1,841,137
Total	3,061,839	19,398,332
Kirkland Lake:		
Jan. to June	885,328	12,015,560
July	149,430	1,879,871
August	150,721	1,985,125
September	151,253	1,943,008
October	153,579	1,972,676
November	155,421	1,964,876
Total	1,645,732	21,761,116
Northwestern Ontario:		
Jan. to June	185,889	817,224
July	34,326	146,854
August	33,679	148,669
September	34,302	116,286
October	35,287	120,967
November	33,961	128,170
Total	357,444	1,478,170
Total for Province:		
Jan. to June	2,695,557	23,243,920
July	460,026	3,634,750
August	473,965	3,999,179
September	467,682	3,917,186
October	488,680	3,908,400
November	479,105	3,934,183
Grand total ...	5,065,015	42,637,618

Keora Shareholders Meet, Option New Property

At the annual meeting of Keora Mines, held in Toronto December 19, W. B. Gunton, president of the company, told shareholders that the current assets of the company were $1,372 and that the current liabilities were $5,868. Financing has been arranged through the disposal of one-half or 500,000 shares of South Keora held. South Keora is also said to be financing that it might carry on.

Keora has optioned a gold prospect just east of the Beattie property, shareholders were told.

Dome Mines To Pay Bonus Of 10 Cents

Directors of Dome Mines have declared a bonus of 10 cents per share in addition to the regular quarterly dividend of 25 cents per share, both payable in U. S. funds on January 20, 1933, to shareholders of record December 31, 1932. This brings the bonuses to be paid for 1932 to 40 cents per share, making the total disbursements for the year $1.40 per share.

At the annual meeting held on May 28 last, J. S. Bache, president of the company, promised shareholders that the future dividend policy would be paying as liberal a dividend as conservatism would permit—that the company did not contemplate adding materially to its earned surplus.

While figures for 1932 will not be known until after the turn of the year, indications point to the production being about the same as in 1931, when bullion to the value of $3,486,506 was produced. In addition to this, there will be the exchange compensation which will bring the value of the gold production close to $4,000,000. In 1931 non-operating income amounted to $274,441 and indications are that it will be substantially the same in 1932. With the same cost prevailing in 1932 as in 1931, and indications are that exclusive of depletion, earnings will be close to $2 per share after all write-offs except depletion, as compared with $1.56 per share in 1931.

Copper Smelter Needed for Pacific Coast Mines

From Our Own Correspondent

VANCOUVER.—Mining interests in British Columbia are becoming more convinced of the importance of establishing a copper refinery on this coast to take care of the ore from various mines which in the past have been compelled to ship to distant plants.

Dr. J. T. Mandy, district mining engineer for the British Columbia government, has been investigating the situation and he believes that a copper refinery should be established on this coast as soon as economic conditions improve. Not only that; but he believes that this project should be combined with lead, zinc and silver refineries and establishment of facilities for the processing of copper and other metals.

In 1930 the production at Anyox amounted to about 23,500,000 pounds and at Britannia 22,500,000 pounds, while there were important potential sources of copper on Vancouver Island and Queen Charlotte Islands.

Dr. Mandy points out that it is a hardship for producers on the coast to have to ship to Trail or to other smelters or refineries, because of high operation costs. He had been told, he said, that if Britannia stopped shipping to Tacoma, Wash., the smelter there would have to close. This showed the possibilities in British Columbia with two such large sources of supply.

Small B. C. Silver Mines Continuing Dividends

Silver mines that have continued to pay dividends throughout the depression, even with silver at thirty cents an ounce and less, are worth noting. British Columbia has several of them around Beaverdell, on the Kettle Valley branch of the Canadian Pacific Railway. They are small mines — their combined output for two years would about equal that of the great Sullivan mine for a single day—but they have paid handsomely for 20 years past and support a thriving community.

Beaverdell is a "poor man's camp." One of the principal mines, the Bell, made a fortune for its owner, the late Duncan McIntosh, on an invested capital of $12. The ore is rich, though the veins are small and can be sold to the smelter at Trail without passing through a mill. The mining can be done by hand through tunnels, so that hand tools and a wheelbarrow suffice in the first stages of mining.

The mines at Beaverdell were discussed by A. W. Davis, an operator in the area, at the recent annual western meeting of the Canadian Institute of Mining and Metallurgy, in Vancouver.

Ontario Mines Dept. Issues Report on Swayze

A timely report has been issued by the Ontario Department of Mines on the geology of the Swayze area. 120 miles northwest of Sudbury. This area includes the townships of Raney, Rollo, Coppell, Newton, Denyes, Swayze, Dore and Heenan. The report is by Geo. B. Furse, of the Mines Department staff, and gives a comprehensive treatize on the rock formations. The report is accompanied by a colored map showing these geological features. It is available by application to the Ontario Department of Mines, Queen's Park, Toronto.

Incorporated with the Swayze report is a similar report by H. T. Laird, on the geology of the Three Duck Lake area, which includes the townships of Yeo, Chester, Benneweiss and the southern part of Potier, Neville, St. Louis and Groves. The area lies about 80 miles northwest of Sudbury southwest of Gogam on the Canadian National Railways.

Newfoundland Iron Ore Export Season Closes

Exports of iron ore from Wabana, Newfoundland, have ceased for the season with the advent of winter weather. The last cargo of the season was shipped on Dec. 1 to Rotterdam aboard the S.S. Seirstad.

Exports of iron ore from Wabana for the season just ended reached the lowest point in years, as shown by the following list covering the entire list of shipments for the year and comparison with totals of previous seasons:

May 21—Willemsplein	8,570
June 1—Stad-Vlaardingen	11,426
June 16—Willemsplein	8,580
June 27—Svarton	3,590
July 18—Pajala	9,950
July 19—Stad-Vlaardingen	11,470
August 20—Finchley	7,452
Sept. 5—Willemsplein	8,640
Sept. 8—Stad-Vlaardingen	11,478
Sept. 26—Nuolja	9,475
Oct. 3—Willemsplein	8,350
Oct. 27—Stad-Vlaardingen	11,184
Oct. 28—Willemsplein	8,370
Dec. 1—Seirstad	11,675
Total for 1932	130,210
1931 total	705,265
1930 total	1,177,961
1929 total	1,516,999

McWatters Shares Listed on Standard Stock Exchange

Shares of the newly incorporated McWatters Gold Mines have been called for trading on the Standard Stock & Mining Exchange, Toronto. The initial sales were at 43 cents per share.

At the company's property in Rouyn township, about six miles southeast of the Noranda smelter, drilling operations are continuing. Initial drilling results indicated a disturbed condition north of the main vein. A gasoline engine driven mining plant is being installed and an incline shaft will be sunk on the vein.

GRANADA MERITS EXTENSIVE SEARCH

Todd Reports Sustained — Output Depends on New Work

A study of the ore possibilities and the suggested programme of their development at the Granada Gold Mines has been covered in a detailed report by E. W. Todd, consulting geologist and mining engineer, formerly in the employ of Lake Shore Mines. Excerpts from this report include comment on the fact that the milling operations have demonstrated the presence of gold in payable quantities and it is, therefore, reasonable to expect that additional ore shoots of similar characteristics will be located in extensions of the known producing veins.

Extensive diamond drilling has indicated favorable conditions 2,000 ft. east of the present site of operations and it is the plan of the officials to utilize part of the funds obtained from new financing, to exploit this section of the property.

The property apart from the producing section is considered as prospecting ground of more than ordinary merit because of the general geological conditions and the known occurrences of gold, according to Mr. Todd, who says that an enlarged programme of development is warranted to prove the ultimate possibility of the property, and that as a matter of fact to sustain increased production is dependent upon the success of such a programme.

Production Increases

Since commencement of production in June, 1930, to October 31, 1932, the property has produced 64,982 tons of ore from which $625,183 in bullion has been recovered or an average recovery of $9.61 per ton.

Detailed figures have not been presented since the end of the company's fiscal year on June 30, last, but deducting the production to June 30 indicates that in the past four months the mill has treated 16,425 tons of ore yielding $125,295 in gold bullion. This is equivalent to an average monthly recovery of $31,323 or an average of $7.62 per ton of ore treated.

Distillers Corp. to Make Bottles

Distillers Corp.-Seagrams Ltd. contemplates establishing a factory in either Belleville or Brockville for the manufacture of bottles for their products, The Financial Post is informed. It is understood that the company has been negotiating for a feldspar property giving the correct analyses to make feldspar glass used for this purpose. Ontario and Quebec have numerous feldspar deposits and tests have been made to find one suitable for glass manufacture.

How far the company has progressed in its plan to establish a plant, has not been disclosed, but it is known that negotiations have been under way to this end. The manufacture of beverage bottles from feldspar is not a new effort in Canada as at Oshawa, Ont., a plant was established several years ago, but never got into commercial production.

Alberta Wool Production

Alberta's wool production for the season recently closed is estimated by the Department of Agriculture officials at about 3,200,000 pounds with a market value in the neighborhood of $125,000.

GALATEA GOLD MINES ACQUIRES SYNDICATE

N. Y. Group Are Said to be Interested in Finances

Galatea Gold Mines Co. Ltd. has been incorporated with a Dominion charter to take over the holding of the Galatea Gold Mines Syndicate consisting of approximately 27 claims aggregating about 1,080 acres in Duparquet township, Quebec, just east of the Beattie Gold Mines and about 20 miles north of Noranda. The new company has a capitalization of 5,000,000 shares of no par value. Unit holders are to receive 600 shares for each unit held. The properties have been turned over to the company by the vendors through the Syndicate, free of all claims from the vendors, and there still remains slightly over 2,500,000 shares in the treasury with which to finance future development. The new company was launched free of all indebtedness and a small amount of cash remains in the treasury left from development work that has been under way the past year. A New York group is said to be negotiating to finance the company.

Altogether approximately $20,000 has been spent on preliminary exploration which has disclosed a shear zone approximately 100 ft. wide carrying low but consistent values in gold. The property has been reported on by Douglas Mutch, M.E., H. C. McRae is president of the new company with headquarters at New Liskeard, Ontario.

Hog Handlings Show Increase

Over a hundred thousand hogs have been marketed at the Saskatchewan Union Stock Yards Limited this year to date, which is over 30 per cent larger than last year's handlings up to the same time.

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